

Daily Report

China

FBIS-CHI-89-165 Monday 28 August 1989

Daily Report China

FBIS-CHI-89-165

CONTENTS

28 August 1989

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

| - | _ |
|--------|-------|
| - | |
| 1 - 41 | neral |

| Asian Olympia Hand Views Comes Brancosticas | |
|-----------------------------------------------------------------|---|
| Asian Olympic Head Views Games Preparations | 1 |
| Discusses Games Preparations [XINHUA] | ! |
| Meets Yang Shangkun [XINHUA] | I |
| Meets Chen Xitong [Beijing TV] | 1 |
| Health Ministry, WHO To Run Fertility Meeting [XINHUA] | 2 |
| Shanghai To Host Science Film Festival [XINHUA] | 2 |
| | |
| United States & Canada | |
| Chennault Says Deng 'in Good Physical Condition' [Tokyo KYODO] | 2 |
| Jiang Zemin Meets With Foremost Chairman [XINHUA] | 3 |
| Ceremony Finalizes Pizza Restaurant Venture [XINHUA] | 2 |
| Firm Plans First Joint Venture Since June | J |
| Tirm rians rist Joint venture since June | • |
| [Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) 26 Aug] | 3 |
| Pact Signed on Agricultural Personnel Exchange [Beijing TV] | 4 |
| Soviet Union | |
| | |
| USSR To Buy More Consumer Goods [XINHUA] | 4 |
| Heilongjiang Border Trade Grows Steadily | 4 |
| Statistics Cited [HEILONGJIANG RIBAO 24 Jul] | 4 |
| Trading Firm Thrives [Harbin Radio] | 4 |
| Workers Join USSR Projects [HEILONGJIANG RIBAO 20 Jul] | 5 |
| Heihe Develops Role [XINHUA] | 5 |
| Vice Governor Meets With Soviet Delegation [Shenyang Radio] | 5 |
| Inner Mongolia Undertakes Chita Oblast Project [Hohhot Radio] | 5 |
| Timer Mongona Undertakes Cinta Oblast Project (Monnor Radio) |) |
| Northeast Asia | |
| | _ |
| MONTSAME Reporter Interviews Qian Qichen [XINHUA] | 5 |
| Reduction Planned in Japanese Steel Imports [Tokyo KYODO] | 6 |
| Sino-Japanese Office Equipment Venture Prospers [XINHUA] | 6 |
| Heilongjiang Governor Meets Japanese Farm Expert [Harbin Radio] | 6 |
| Shanghai's Zhu Meets Japanese Auto Executives [Shanghai Radio] | 7 |
| DPRK Delegation Leaves for Dandong [Shenyang Radio] | 7 |
| Defense Minister Fetes DPRK Delegation [XINHUA] | 7 |
| Provincial Delegation Leaves for DPRK [Shenyang Radio] | 7 |
| Jilin Group Leaves for DPRK Visit [Changchun Radio] | 7 |
| Shenyang Governor Meets DPRK Scientists [LIANONG RIBAO 3 Aug] | 7 |
| Judicial Assistance Pact with MPR Initialed [XINHUA] | 8 |
| | _ |
| Southeast Asia & Pacific | |
| Qian Qichen Willing To Attend Cambodia Meeting [XINHUA] | 8 |
| Delegates Visit Laos; Agree To Open Consulates [Beijing Radio] | 2 |
| PLA Commander Chi Haotian Visits Thailand | 0 |
| Departs 26 Aug [XINHUA] | |
| Departs 20 Aug [AINTOA] | 0 |

| Meets Chawalit (XINHUA) | 8 |
|------------------------------------------------------------------------------------------------------------------|----|
| Presents Construction Machinery XINHUA | 8 |
| Meets Chatchai [XINHUA] | 9 |
| Attends Dinner [XINHUA] | 9 |
| Thai Armed Forces Committee Delegation Visits | 9 |
| NPC Chairman Meets Delegation (XINHUA) | 9 |
| Official Meets Committee Head [XINHUA] | 10 |
| Thai Delegation Visits Jilin Province Changchun Radio | 10 |
| Singapore To Help Guangxi Build Container Port [XINHUA] | 10 |
| Burmese Official Comments on Border Trade [XINHUA] | |
| XINHUA Reports Close of ASEAN Conference | |
| | |
| Near East & South Asia | |
| Bangladesh Foreign Minister Concludes Visit | 12 |
| Interviewed by XINHUA | 12 |
| Returns Home; Gives Reactions [XINHUA] | 12 |
| Saudi Commercial Representative Shows Credentials [XINHUA] | 12 |
| Official on Commodities Fair in Saudi Arabia [XINHUA] | |
| Health Minister Chen Minzhang Leaves for Libya [XINHUA] | |
| Li Tieying Meets Iranian Delegation of Scholars [XINHUA] | 13 |
| Vice Premier Meets Delegation From PDRY (XINHUA) | |
| Vice Fremier Meets Delegation From FDRT (ANTON) | |
| Sub-Saharan Africa | |
| Li Dana Canda Manna da LINI Canadi a CNI a di la CNI di Ilia | |
| Li Peng Sends Message to UN Council of Namibia [XINHUA] | |
| Wu Xueqian Attends Namibian Reception in Beijing [XINHUA] | |
| State Councillor Meets Delegation From Guinea [XINHUA] | 14 |
| PRC Gives Agricultural Tools to Cameroon [XINHUA] | 14 |
| Burkinabe President To Visit in September [XINHUA] | 14 |
| West Europe | |
| West European Airlines Resume Flights to PRC [Beijing Radio] | 15 |
| P4 P | |
| East Europe | |
| Bulgarian-PRC Friendship Association Founded [XINHUA] | 15 |
| Ge Hongsheng, CPC Delegation Leave for Romania /XINHUA/ | |
| of Hongsheng, et a Belegation Beave for Romaina (ATTATEM) | |
| Latin America & Caribbean | |
| PRC, Brazil Cooperate in Satellite Research [XINHUA] | 15 |
| Colombia Senate President Meets PRC Ambassador [Beijing Radio] | 15 |
| Coloniola Schate President Meets PRE Ambassador [Deijing Radio] | 13 |
| NATIONAL AFFAIRS | |
| Political & Social | |
| Dana Banastad Tanaslina Mastina Officials | |
| Deng Reported Traveling, Meeting Officials [Hong Kong SOUTH CHINA MORNING * OST 26 Aug] | 16 |
| CPC To Reestablish Cells Throughout Government | 10 |
| Have Court China Modeline Book 36 feed | 16 |
| Hong Kong SOUTH CHINA MORNING POST 28 Aug NPC Standing Committee To Hold Session | 10 |
| Stated for 20 Aug. (ZHONGGUO VINIVEN CHE) | 17 |
| Slated for 29 Aug [ZHONGGUO XINWEN SHE] | |
| Member Seeks End to Martial Law [Hong Kong HONGKONG STANDARD 26 Aug] Agenda May Include Wang Meng [Tokyo KYODO] | 18 |
| Wong Many Personal Personal Charge Ware Very USIN WAY DAG 36 4 1 | 19 |
| Wang Meng Replacement Reportedly Chosen [Hong Kong HSIN WAN PAO 28 Aug] | 19 |
| Jiang Presides Over Political Bureau Meeting [Beijing Radio] | 19 |
| Jiang Meets With Qinghua Teachers, Students | 19 |
| Speaks on Students' Role [XINHUA] | 19 |

| | Beijing Radio Report | 20 |
|-------|------------------------------------------------------------------------|----|
| | Activist Chai Ling Reportedly Arrested | |
| | [Hong Kong SOUTH CHINA SUNDAY MORNING POST 27 Aug] | 21 |
| | LIAOWANG Attacks Wuer Kaixi's Role XINHUA | 22 |
| | RENMIN RIBAO Views Attitudes on Turmoil [19 Aug] | 23 |
| | Article Reviews Zhao's 'Erroneous Guidance' [Beijing Radio] | 27 |
| | Li Ruihuan Discusses Propaganda in Shanxi Speech [XINHUA] | 27 |
| | More Reportage on Cultural Market Conference | 28 |
| | Li Ruihuan, Li Tieying Speak Beijing Radio | 28 |
| | Wang Zhen Addresses Land Reclamation Educators [Beijing Radio] | |
| | Circular Urges Criminals to Surrender [XINHUA] | 29 |
| | Commentator Urges Elimination of Pornography | |
| | [RENMIN RIBAO OVERSEAS EDITION 25 Aug] | 31 |
| | Media Profile New Beijing University President | 32 |
| | ZHONGGUO TONGXUN SHE Article | |
| | HONGKONG STANDARD Reports | |
| | Symposium on CPC Founder Li Dazhao Opens [XINHUA] | 33 |
| | Supervisory Work Forum Outlines New Tasks RENMIN RIBAO 20 Aug | 33 |
| | Conference Addresses Women's Legal Rights [XINHUA] | 34 |
| | Commentator Praises Iron and Steel Company RENMIN RIBAO 14 Aug | 34 |
| | Article Rejects U.SStyle Capitalism [GUANGMING RIBAO 20 Aug] | 35 |
| | Article Considers Bourgeois Liberalization [GUANGMING RIBAO 18 Aug] | 30 |
| | Social Science Academy Urges Compulsory Abortion [Tokyo KYODO] | |
| | Ministry Attempts To Curb Traffic Deaths /CHINA DAILY 26 Aug/ | |
| | Ministry Attempts To Curo Traine Deaths (CHINA DAILT 20 Aug) | 43 |
| Mi | litary | |
| | Yang Baibing Visits Provincial PLA Unit [Jilin Radio] | 44 |
| | RENMIN RIBAO Describes Special Force OVERSEAS EDITION 11 Aug | 44 |
| | Air Force Enrolls More Female Pilot Trainees [XINHUA] | |
| | Army Publishes Book on Party Style [XINHUA] | |
| Eco | onomic & Agricultural | |
| | Action Taken To Further Rectify Companies | |
| | Decision Outlined [XINHUA] | 47 |
| | Leaders' Relatives Quit Companies [XINHUA] | 50 |
| | Official Predicts Rough Going in Trade [XINHUA] | 50 |
| | New Measures To Ensure Export Quality Control [ZHONGGUO XINWEN SHE] | 50 |
| | Factionalism Threatens Economic Reforms | |
| | [Hong Kong HONGKONG STANDARD (CHINA TODAY SUPPLEMENT) 25 Aug] | |
| | Minister on Better Supply, Demand Balance [XINHUA] | 52 |
| | Enterprises Fund Own Research, Development [CHINA DAILY 24 Aug] | 53 |
| | Product Quality Inspection Results Announced [XINHUA] | 53 |
| | State Plans Five Types of Economic Zones CEI Database | 54 |
| | Consumption Level Drops for Urban Residents [CEI Database] | 54 |
| | Housing for Urban Residents Improves Markedly (XINHUA) | 54 |
| | Economic Gap Widens in Minority Areas [XINHUA] | 55 |
| | Statistics Show Farmers' Exodus to Enterprises [XINHUA] | 55 |
| | Theft, Damage of Communication Lines Increase [XINHÚA] | 55 |
| REGIO | NAL AFFAIRS | |
| Eas | st Region | |
| | Anhui Propaganda Department Leaders End Meeting [Hefei Radio] | 56 |
| | Anhui Tax Office Urges NPC Deputy's Recall [Beijing Radio] | 57 |
| | Jiangsu Leaders Hear Beijing Riot Report (XINHUA RIBAO 17 Aug) | |
| | Han Peixin Addresses Jiangsu Trade Union Meeting [XINHUA RIBAO 12 Aug] | 50 |
| | Economy Dominates Shandong Committee Meeting [Jinan Radio] | 60 |
| | Shandong Secretary Addresses Propaganda Forum (Jinan Radio) | |
| | | |

| | Shanghai Chief Procurator Views Major Cases [Shanghai Radio] | 63 |
|----|----------------------------------------------------------------------------------|----|
| | Zhejiang Student Sentenced for Spreading Rumors [Hangzhou Radio] | 63 |
| | Zhejiang Crime Reporting Center Begins Operation [ZHEJIANG RIBAO 16 Aug] | 63 |
| | Central-South Region | |
| | Guangdong's Lei Discusses 4 Jun Aftermath | 64 |
| | Appraises Economy [Hong Kong WEN WEI PO 20 Aug] | 64 |
| | Considers Trade [Hong Kong WEN WEI PO 21 Aug] | 65 |
| | Views Hong Kong, Macao Ties [Hong Kong WEN WEI PO 22 Aug] | 66 |
| | Considers Open Policy Hong Kong WEN WEI PO 23 Aug | 67 |
| | Guangdong SEZ Continues Economic Reform | 68 |
| | Speeds Legal Process [Hong Kong HONGKONG STANDARD 26 Aug] | 68 |
| | Criminals Surrender [XINHUA] | 69 |
| | Reassures Investors [XINHUA] | |
| | Guangdong Takes Anti-pornography Measures [Guangzhou Radio] | 69 |
| | Heroic Deeds Visiting Group Leaves Henan City [Zhengzhou Radio] | |
| | Hubei Steel Workers Increase Political Study [RENMIN RIBAO 14 Aug] | 70 |
| | Hunan Secretary Stresses Workers' Role in Reform [Changsha Radio] | 72 |
| | Southwest Region | |
| | Guizhou Leaders Meet With Visiting Heroes Group [Guiyang Radio] | 73 |
| | Sichuan Secretary Yang Rudai Inspects Counties [Chengdu Radio] | 73 |
| | Sichuan Urges Corrupt Cadres To Confess Crimes [Chengdu Radio] | |
| | | |
| | North Region | |
| | Beijing Launches Anti-pornography Campaign [XINHUA] | 74 |
| | Hebei CPC Committee Views Party Building [HEBEI RIBAO 15 Jul] | 74 |
| | Hebei Secretary Addresses Army Day Party [HEBEI RIBAO 30 Jul] | |
| | Leaders Attend NPC Deputy's Hebei Funeral [HEBEI RIBAO 25 Jul] | 80 |
| TA | IWAN | |
| | PRC Student in Korea Granted Taiwan Passport CNA | 81 |
| | Dissident Li Hsien-zong Leaves 24 Aug [Taipei Radio] | |
| H(| ONG KONG & MACAO | |
| | Hong Kong | |
| | Deadline on Basic Law Opinions Postponed [XINHUA] | 82 |
| | PRC Liaison Group Member Refutes UK Comments [TA KUNG PAO 27 Aug] | 82 |
| | PRC Rules Out Discussions on Local Garrison [HONGKONG STANDARD 23 Aug] | 82 |
| | Ji Pengfei Meets With Jaycees Delegation [XINHUA] | 83 |
| | Xu Jiatun Views 'One Country, Two Systems' [Beijing Radio] | 83 |
| | Defecting PRC Athlete Holds Press Conference | 84 |
| | Aided Fugitive Dissidents SOUTH CHINA MORNING POST 24 Aug | 84 |
| | Asylum Reportedly Denied HONGKONG STANDARD 25 Aug | |
| | Police Use Tear Gas on Vietnamese Refugees XINHUA | 85 |
| | Editorial Views U.S. Policy on Refugees [SOUTH CHINA MORNING POST 23 Aug] | 86 |
| | Investors Suspend \$5 Billion in PRC Projects | |
| | [HONGKONG STANDARD (BUSINESS STANDARD) 24 Aug] | 87 |
| | Taiwan Navy Expels Fishing Boats From Port [HONGKONG STANDARD 24 Aug] | 87 |
| | Macao | |
| | Authorities Deny Interrogating PLA Defectors [SOUTH CHINA MORNING POST 28 Aug] . | 88 |
| | Released Student Denies Hong Kong Man Detained | |
| | [HONGKONG STANDARD (CHINA TODAY SUPPLEMENT) 25 Aug] | 88 |
| | | |

General

Asian Olympic Head Views Games Preparations

Discusses Games Preparations

OW2508141389 Beijing XINHUA in English 0730 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—The Asian sports chief Shaykh Fahd al-Sabah said he believed all members of the Olympic Council of Asia [OCA] will participate in the 11th Asian Games in Beijing next year.

He told a press conference today that about 6,400 to 7,000 athletes and officials from 38 OCA member countries and regions will compete in the 27 sports at the quadrennial Asian sports festival.

The president of the Olympic Council of Asia from Kuwait has been in Beijing since last Thursday, inspecting the preparations for the games, including the facilities. "From what I have seen and what I have heard, I'm sure the 11th Asian Games will be held just according to the schedule."

When asked about the security for the games under the current martial law, the president said: "We discussed in details about the question. We were just concerned about the safety of the athletes and other participants during the games. The martial law does not concern OCA."

He said he does not interfere with the affairs of all countries, and what happened in Beijing months ago was entirely China's own affair.

When a Chinese journalist asked him if there was any defect in the preparations, the OCA president said "what is lacking is that publicity about the preparations is not enough." He said before he came to Beijing, he almost had no knowledge of what had been done for the games.

"When I arrived in Beijing I found surprisingly that everything for the games has been going well and most of the stadiums and facilities were completed or nearly completed."

He urged the organizers to provide conveniences for the media. "The press is very important and through the press the world will know what will happen during the games."

The president said that his visit had increased his confidence in making the games a success.

He said the OCA will give the Asian Games its full backing and support.

Meets Yang Shangkun

OW2508130789 Beijing XINHUA in English 1228 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—Chinese President Yang Shangkun assured the Asian sports chief

Shaykh Fahd al-Sabah of Kuwait that the Chinese Government and Beijing City will do their utmost to make the 11th Asian Games a success.

During a meeting with President Fahd of the Olympic Council of Asia [OCA] this evening. Yang said it is the common cause of China and the OCA to organize the games successfully.

He told Fahd that even in the days of the riot in earlier June, construction of the Asian Games projects had not stopped.

"We will try our best to make our preparations well," he said.

The president said: "Everything in Beijing is in order and it is the required condition for hosting the games. Some friends have doubts and worries. We hope they will come to Beijing and China to see for themselves."

Yang said he hoped that all the 38 members of the OCA will participate in the forthcoming games and strenthen the unity among the Asian countries and regions.

Fahd said during his week-long visit, he had frank and sincere talks with the organizing committee. "Before I came to Beijing, there were reports that China has no ability to hold the Asian Games and the organizing committee had done nothing for the games," he said.

"What I have seen here makes me happy and more confident," he said. "I find the organizers are doing their job well. If both the government and the people have the desire to hold the Asian Games, the games will be successful.

"It is the common wish of the people of Asia to stage the games successfully. If anyone tries to sabotage, they are sure to fail."

The OCA president, who has been here since last Thursday to inspect facilities for the coming Asian Games and attend the Asian handball championships, will leave here for Puerto Rico tomorrow to attend the 95th session of the International Olympic Committee slated for August 29 to September 1.

Meets Chen Xitong

OW2708052589 Beijing Television Service in Mandarin 1000 GMT 23 Aug 89

[Announcer-read video report; from the "National News Hookup" program]

[Text] [Video opens with shots of a motorcade arriving at a stadium] Prince Fahd, president of the Olympic Council of Asia, inspected the newly completed Haidian Stadium, University Students' Stadium, and Yuetan Stadium on the afternoon of 22 August, accompanied by Wu Shaozu, minister in charge of the State Physical Culture and Sports Commission, and by Zhang Baifa, vice executive chairman of the Asian Games Organizing Committee. He also viewed a martial arts performance

and the Asian handball championship at the stadiums. [Camera shows Fahd in casual wear and flanked by Wu and Zhang, wearing Western suits and ties, viewing a martial arts performance and handball match]

[Video cuts to show Chen Xitong and other unidentified officials greeting and shaking hands with Fahd and his entourage in a hallway] Chen Xitong, chairman of the Asian Games Organizing Committee and mayor of Beijing municipality, met and feted Prince Fahd and his entourage in the Great Hall of the People in the evening. Chen Xitong in a toast spoke highly of Prince Fahd's kind concern and support for the preparatory work for the Asian Games. In reply, Prince Fahd said: To make the Asian Games a success is the wish of not only the Chinese party and government but also all Chinese and Asian people. The people of Asia want proof with their own strength that they are capable of making the games a great success. [Camera shows successive closeup shots of Chen and Fahd standing and making speeches]

Health Ministry, WHO To Run Fertility Meeting OW2408222889 Beijing XINHUA in English

OW2408222889 Beijing XINHUA in English 0739 GMT 24 Aug 89

[Text] Beijing, August 24 (XINHUA)—China's Ministry of Public Health and the World Health Organization (WHO) will cosponsor an international symposium on the recent advances in fertility regulation in Shanghai in October.

The meeting, to mark the tenth anniversary of research co-operation in the field of birth control between China and the WHO, will reflect and evaluate this co-operation, promote the development of scientific research into birth control and expand co-operation and exchanges.

The meeting will mainly touch on three subjects—fertility, sterilization and fertility control. Already about 300 papers have been handed in.

Scientists from Britain, the United States, Australia, France and many other countries, and officials from many international organizations will attend the meeting.

Shanghai To Host Science Film Festival

OW2608080889 Beijing XINHUA in English 0554 GMT 26 Aug 89

[Text] Shanghai, August 26 (XINHUA)—The Second China International Scientific Film Festival will open in Shanghai October 23.

The theme of the festival will be life sciences, according to Xu Zhiyi, head of the preparatory committee for the festival and president of the Shanghai Scientific and Educational Film Studio. In both the scale and the quality of the films, Xu said, the festival will surpass the first of its kind, held in Beijing in 1987 with 12 countries and regions participating.

So far, 25 countries from all over the world except South America have applied to take part in the festival. Thirteen of the countries, including the United States, the Soviet Union, Italy, Belgium, Federal Germany and Australia, have decided to send delegations to the festival. Xu revealed.

He said that the participating countries have sent 130 films, and more are due. The films deal with insects, animals, plants, oceans, forests, outer space, agriculture, industry, medical treatment, environmental protection and other aspects of life sciences, he added.

An appraisal committee will be formed to choose the best films shown during the festival.

The festival is sponsored jointly by the Chinese Ministry of Radio, Film and Television, the people's government of Shanghai Municipality and the China Association for Scientific Films and Television.

During the festival, the International Scientific Film Association will hold its 1989 annual meeting here.

United States & Canada

Chennault Says Deng 'in Good Physical Condition'

OW2608143089 Tokyo KYODO in English 1409 GMT 26 Aug 89

[Text] Beijing, Aug. 26 (KYODO)—A U.S. Republican Party official said Satudrday U.S. President George Bush wants to improve Sino-U.S. relations and that Chinese leader Deng Xiaoping was in good health condition.

Anna Chennault, chairman of the party's Committee on Minority People, made the remark in a news conference at the U.S. Embassy in Beijing Saturday.

She said she conveyed to Chinese leaders Bush's message expressing U.S. hopes for improvement of U.S.-Chinese relations.

She said Deng's family members told her the Chinese leader is in good health.

They were quoted as saying the Chinese leader is in good physical condition and smokes and swims.

Deng observed his 85th birthday Tuesday at a seaside resort facing Bohai Bay off northeastern China, Chennault said.

Chennault said she made a two-day visit to the resort before coming to Beijing Saturday.

She said, however, she could not meet Deng face-to-face.

Chennault said Deng refused to meet with foreign visitors as he is preparing to retire to rejuvenate the party leadership.

She said she met with Vice President Wang Zhen and Beijing Mayor Chen Xitong and talked over the military crackdown on the democracy movement in early June.

Wang told her he would try to avoid using the military in the future and bolster the police force to cope with dissidents, she said.

Jiang Zemin Meets With Foremost Chairman

OW2608063289 Beijing XINHUA in English 0605 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, had a one-hour cordial talk with James S.C. Chao, chairman of the board of directors of the New York-based Foremost Group.

Hu Chuanzhi, president of the China State Ship-Building Corporation, was present during the meeting.

Ceremony Finalizes Pizza Restaurant Venture

OW2808141889 Beijing XINHUA in English 1203 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—A signing ceremony for a pizza restaurant in Beijing, a Sino-American joint venture, was held here this evening in the Beijing Hotel in the presence of Beijing Vice-Mayor Huang Chao and U.S. ambassador to China James Lilley.

The 1,600 sq m, eight-story restaurant will open in August 1990 just one block away from the Beijing Railway Station on Beijingzhan Dongjie Street, according to the Chinese side.

The restaurant, the first of its kind in China, will offer New York-style pizza, sandwiches, hamburgers and macaroni. It will seat 425 diners at a time and operate 14 hours a day, offering take-out and delivery service throughout the city.

The project, a joint venture between the Beijing Yan Hai Development and Trade Corporation and the New York City Pizza Corporation, involves a total investment of 3.5 million U.S. dollars. The Chinese side will cover 60 percent of the total investment in the 13-year project.

Hu Jinuang, general manager of the Chinese side, thanked Richard Rosenzweig, president of the New York Pizza Corporation, for his confidence in the Chinese people.

Rosenzweig said the idea of introducing pizza to China began in 1986 when he was studying at Beijing University. He said he was happy to see that the idea has turned into reality with the help of the municipal government. He hoped that more Chinese cities will have pizza parlors in the future.

Firm Plans First Joint Venture Since June

HK2608052389 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 26 Aug 89 p 1

[Text] Californian drug maker ICN Pharmaceuticals is to enter into a joint venture with China National Medical Corp, the first venture between China and the U.S. since the military crackdown in Beijing in June.

ICN said the two companies signed a letter of intent in Beijing on Wednesday to produce an anti-hepatitis drug known as Ribavirin.

The joint venture will initially produce 10 tonnes a year, increasing output to 100 tonnes a year as the venture progresses.

According to First City Bank Corp of Texas, which is the financial adviser to ICN, the venture is to be initially capitalised at U.S.\$5 million but will be boosted to \$25 million within two years, with the Chinese and U.S. partners holding equal shares.

The news of the joint venture comes two months after many countries, particularly Western nations, froze new investment and lending to China in response to the massacre in Tiananmen Square.

The U.S. drug maker said it would buy "at least 50 per cent" of the Ribavirin produced by the venture, leaving itself open to charges that one of its motives is to cut costs by moving production to a cheaper location abroad.

But, as the company noted, hepatitis is widespread in China with about 100 million people carrying some form of the virus.

"China currently produces various drugs that are used to combat hepatitis, but they tend to be ineffective," ICN chairman Milan Panic said.

First City chairman Robert Abboud indicated he was conscious of possible foreign criticism of the decision to go ahead with the venture.

"Were this not a humanitarian project for such a pernicious disease it would not have been even entertained at this time," he said.

Mr Abboad, who has been visiting China since 1972, also defended a recent meeting with Chinese Premier Li Peng in Beijing.

Meetings between senior Chinese leaders and foreign businessmen "are even more appropriate now than they were before" he said in Tokyo. Mr Li seemed to express "remorse" and "genuine, thoughtful agony" towards events in June during their one-hour meeting in Beijing, he added.

Mr Abboud was speaking in Tokyo after attending a Beijing board meeting of ACB International.

Pact Signed on Agricultural Personnel Exchange

OW2708005289 Beijing Television Service in Mandarin 1300 GMT 22 Aug 89

[Video report by China Central Television reporters; from the "Night News" program]

[Text] [Video opens with a long shot of Zhang Jingfu, member of the Standing Committee of the Central Advisory Commission, chatting with visitors, followed by medium and closeup shots of unidentified persons at a signing ceremony] Zhang Jingfu, member of the Standing Committee of the Central Advisory Commission, met this morning with a five member group of American agricultural experts led by Mr. (Jerome Hellington), chairman of the Agricultural Personnel Exchange Organization of the United States.

Following the meeting, the China Association for International Exchange of Personnel and the Agricultural Personnel Exchange Organization of the United States signed an agreement of cooperation under which Chinese agricultural personnel will be sent to American universities for training, and American agricultural, industrial, commercial, banking, and scientific and technological experts will be invited to China to serve as consultants for Chinese enterprises to help them resolve particular problems.

Soviet Union

USSR To Buy More Consumer Goods

OW2508140489 Beijing XINHUA in English 1140 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—The Soviet Union has informed China of its desire to buy 41 kinds of consumer goods from China this year and next, according to Light Industry Ministry sources.

Of those, 30 are light industrial products such as leather goods, household utensils, toys, thermos flasks, and arts and crafts.

The consumer goods ordered by the Soviet Union for this year are valued at 1.2 billion Swiss francs.

China is trying to broaden markets for its consumer goods exports, especially in Eastern Europe and Africa, said Vice Minister of Light Industry Xiao Yongding at a recent working conference.

During the first half of this year, China's export of 16 major light industrial goods rose by 17.78 percent as compared with the same period last year.

Heilongjiang Border Trade Grows Steadily

Statistics Cited

SK2508074189 Harbin HEILONGJIANG RIBAO in Chinese 24 Jul 89 p 1

[Excerpt] The province's border trade with the Soviet Union has developed in a stable manner, stepping from the stage of looking for trade partners to the stage of doing substantive business. Thus far, the sum of the border trade contracts signed with the Soviet Union has amounted to 839 million Swiss francs (excluding those in Harbin City), of which the sum of such contracts newly signed in the first half of this year amounting to 531 million Swiss francs. In the first half of this year, the sum of goods actually delivered to the Soviet Union in accordance with contracts amounted to 179 million Swiss francs (excluding Harbin City), 38 million Swiss francs more than the total of last year.

By the end of last year, 96 border trade companies in our province established trade partner relations with more than 170 border trade agencies in the Soviet Union. Since the beginning of this year, all of the 119 border trade companies in our province (excluding the foreign trade specialized companies in Harbin City) have found their trade partners in the Soviet Union. The number of trade partners on the USSR side has increased to 211, mostly spreading in the 3 autonomous republics, 23 oblasts, and 3 krays in Russia, Armenia, Ukraine, Estonia, Uzbekistan, and Kirghizia, and in Moscow and Leningrad, which are under the direct jurisdiction of the central authorities. Of these 211 trade partners on the USSR side, 66.7 percent are distributed in the Far East area.

Various trade union companies in our province have positively developed business and strived to actually deliver goods to the Soviet Union. Last year, only 30-odd border trade companies in the province delivered goods to the Soviet Union; and in the first half of this year, more than 60 companies did so. Various border trade companies in our province have become more mature and flexible in holding trade talks. [passage omitted]

Trading Firm Thrives

SK2508050189 Harbin Heilongjiang Provincial Service in Mandarin 0900 GMT 24 Aug 89

[Text] The provincial commercial and foreign trade company has made gratifying achievements in positively developing trade with the Soviet Union.

In the 1950s, the company was the only commercial enterprise with the right to conduct export work in our province.

The company restored its trade ties with the Soviet Union last June after a suspension of nearly 30 years.

On the basis of establishing contacts with old trade partners, this company with only some 10 personnel has made positive efforts to develop new trade partners. So far, the company has established trade ties with nine units in the Soviet Union. Its barter trade volume reached 1.2 million Swiss francs. Not long ago, the company also signed agreements with four petroleum integrated associations in Chita and Buryat Oblasts on importing 130,000 tons of petroleum from the Soviet side and on exporting copy machines, computers, and light industrial goods. The agreements also include some 10 economic and technological cooperation items on building a soft drink plant, cold storages, and filling station in the Soviet Union.

Workers Join USSR Projects

SK2708021689 Harbin HEILONGJIANG RIBAO in Chinese 20 Jul 89 p 2

[Text] The Harbin company under the China Railway Foreign Service Corporation dispatched 250 laborers group by group to the Sovic Union via the city of Qiqihar for project construction from 10 to 16 July. The company has to date dispatched 450 laborers to the Soviet Union.

The company's personnel dispatch was carried out in line with the contract signed with the Soviet Baikal Railway Bureau with regard to repairing the rails on a large or medium scale at the nine railroad sections of Chita, (Kirowazair), Skovorodino, Borzya, Rear Baikal, and others from 10 July to 20 October this year; and with building or repairing the drainage facilities. The contract is worth 676,000 Swiss francs, and the Soviet side will pay the wages of these laboring personnel through barter trades with the province.

The company had previously dispatched 180 laborers to the Soviet Union in July 1988 to build apartment, mess hall, and gymnasium projects designed by the Baikal Railway Bureau for its staff members and workers. These laborers have continued the construction this year. The Soviet side has highly praised the quality and technical standard of Chinese laborers. The Harbin company will also dispatch 21 laborers to the (Orovyanski) town of Chita Oblast to help in vegetable production this year.

Heihe Develops Role

OW2608110889 Beijing XINHUA in English 0719 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Heihe City, in northeast China's Heilongjiang Province, is playing an important role in Sino-Soviet border trade.

According to today's "ECONOMIC DAILY", since early July, the trade volume of the city with the Soviet Union has totalled two million Swiss Francs-worth.

Last October, a foreign economic and trade company was established in the city to manage Sino-Soviet border trade. In the past 10 months, the company has exported

light industrial, textile, chemical and electronic products, as well as medical instruments, construction materials and agricultural and side-line products. It has also imported iron and steel, timber and chemical fertilizers urgently needed by domestic market.

Labor has also been exported to the Soviet Union. The company so far this year has contracted three construction projects in the Soviet Union, employing more than 400 workers from Heilongjiang, Hubei and Fujian Provinces, the paper said.

Vice Governor Meets With Soviet Delegation

SK2608221489 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 25 Aug 89

[Text] At the invitation of the (?Metals and Machinery Import and Export General Company) under the Ministry of Foreign Economic Relations and Trade, an (?eight member) delegation of the Ministry of Automotive and Agricultural Machine Building of the USSR, led by First Deputy Minister (Kalinin), came to our province from 21-25 August and held talks on barter trade. During their stay, (Kalinin) and his entourage visited the Shenyang Tractor plant, the small tractor plant, and the diesel engine plant, and toured the Imperial Palace and (Beiling). Vice Provincial Governor Wen Shizhen met with and hosted the delegation.

Inner Mongolia Undertakes Chita Oblast Project

SK2808133689 Hohhot Inner Mongolia Regional Service in Mandarin 1030 GMT 27 Aug 89

[Text] An agreement to build a hospital and a residential district for the staff and workers of Chita General Gold Company, undertaken by the No 2 Metallurgical Construction Company, was signed in Baotou on 18 August.

The project, involving a hospital for mining staff and workers and three mansions for staff and workers, will cost 9.5 million rubles. Occupying 17.0 00 square meters of floor space, the hospital can receive more than 500 patients a day, and has 250 sickbeds. The three mansions occupy 5,800 square meters of floor space.

According to the requirements of the agreement, prospecting, designing, and engineering personnel of the No 2 Metallurgical Construction Company will travel to the Soviet Union for work in the near future.

Northeast Asia

MONTSAME Reporter Interviews Qian Qichen

OW2808102089 Beijing XINHUA in English 0942 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—Chinese Foreign Minister Qian Qichen received an interview with Tonor, Beijing-based correspondent of the MONTSAME, here today. Qian answered questions on Sino-Mongolian relations, the situation in the Asian and Pacific region and the prospects of cooperation among the Northeast Asian countries.

Qian is scheduled to pay an official goodwill visit to Mongolia in late August or early September of this year as guest of the Mongolian Government.

Reduction Planned in Japanese Steel Imports

OW2608114089 Tokyo KYODO in English 0939 GMT 26 Aug 89

[Text] Tokyo, Aug. 26 KYODO—China has officially notified Japanese steel makers it will reduce imports of ordinary rolled steel in the second half of this year, industry sources said Saturday.

The China National Metals and Minerals Import and Export Corp. said imports will be cut by 300,000 tons from the contracted 1.58 million tons, the sources said.

The reduction was due largely to China's shortage of foreign currency after the Tiananmen Square incident, the sources said.

Japan's exports of seamless steel pipes to China contracted for the latter half plunged to less than one fourth the average levels in the past to some 100,000 tons. Japanese steel exports are expected to remain low during the first half of next year, the sources said.

But an official of Nippon Steel Corp. said that because of robust domestic demand for steel, production in Japanese steel mills will not be slowed despite China's import reduction.

Quantity of ordinary steel exports for the last half of this year was agreed upon in early May between the Chinese side and six major Japanese steel makers, including Nippon Steel and NKK Corp.

But after the June 4 Tiananmen Square incident, China's import letters of credit for steel stopped arriving.

This caused a suspension of Japanese shipments to China until resumption in early August.

Sino-Japanese Office Equipment Venture Prospers

OW2608143989 Beijing XINHUA in English 1224 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—A two-year old Sino-Japanese joint venture ranks top in productivity and profits among all Beijing Sino-foreign productive joint ventures.

The output value of the Sino-Japanese Beijing Stone Office Equipment Technology Co., Ltd. (SOTEC) came to 195 million yuan (about 52.7 million U.S. dollars) in 1988, with a profit of 14.25 million yuan (about 3.8 million U.S. dollars). Export earnings were 9.86 million U.S. dollars.

In the first seven months this year, the output value of the joint venture reached 120.11 million yuan (about 32.46 million U.S. dollars), 10 percent ahead of its annual plan. Even during Beijing's riots from May 20 to June 10, its output value was 31.2 percent higher than the same period last year.

Investment in SOTEC totalled eight million U.S. dollars in the past two years. 25 percent of which coming from the Japanese partner, the Japan Mitsui Co., Ltd.

Jun Nakagome, vice general manager of the corporation, said the Japanese side is "one hundred percent satisfied" with the achievements of the business.

"Technology can be introduced, funds can be borrowed and special personnel can be found," he said, "but the Chinese employees' enthusiasm and positive attitude toward work, and the managers' sense of responsibility is quite precious. This is the foundation for a venture's development."

He also said he is confident in the future development of the venture. Short-term plans call for more exports.

Duan Yongji, general manager of SOTEC said: "Our Japanese partner is not only our friend in favorable circumstances, but also our friend in need." During the riots in early June, he said, the Japanese vice manager came to Beijing for routine work as usual.

SOTEC has developed the MS-2403 Chinese-foreign language word processor, the IP-100 intelligent universal PLD development system and the STD industrial control system. The three products won gold and silver medals at the first Beijing International Trade Fair held last July.

MS series products have been exported to more than 20 countries and some United Nations organizations have chosen MS products as their Chinese document processors.

Heilongjiang Governor Meets Japanese Farm Expert

SK2808064689 Harbin Heilonjiang Provincial Service in Mandarin 0900 GMT 26 Aug 89

[Text] On the afternoon of 26 August, Governor Shao Qihui, Vice Governor Tian Fengshan, and other leading personnel received Mr. (Iwamasa Tsuksa), a Japanese paddy rice expert. During the reception, Governor Shao Qihui, on behalf of the provincial People's Government, presented a citation to the Japanese expert, who is a member of the council of the Heilongjiang-Hokkaido Scientific Association. He has been engaged in research and experimentation of paddy rice planting for many years. Since 1982, Mr. (Iwamasa Tsuksa) has come to the province on eight occasions to teach frigid zone paddy rice planting technology to the province's personnel. Since 1984, his planting methods have been popularized throughout the province. During the 5-year period, his planting method achieved an accumulated increase of more than 2 billion yuan in economic benefits for the province. Our province has achieved rapid development

in paddy rice field acreage thanks to adopting various new technologies. The planted acreage of paddy rice fields has reached more than 10 million mu this year.

Shanghai's Zhu Meets Japanese Auto Executives

OW2708050389 Shanghai City Service in Mandarin 2200 GMT 23 Aug 89

[From the "Morning News" program]

[Text] On the afternoon of 23 August, Mayor Zhu Rongji met on separate occasions with (Akira Yokoi), director of the board of Japan's Toyota Automobile Corporation; (Teisuo Tamura), director of the board of Japan's Nissan Automobile Corporation; and (Amaharu Zaitsu), executive director of Japan's (Toyo) Trading Company Ltd at the (Hengshan) Guesthouse. Mayor Zhu briefed the Japanese guests on Shanghai's commic development situation and its plan to develop a dan industry. The guests made a special trip to Shanghai to take part in Shanghai's 1989 International Automobile Industry Exhibition.

Mayor Zhu visited the Toyota Automobile Corporation and Nissan Automobile Corporation, and met with responsible persons of the two companies during a visit to Japan in April. He led a Shanghai friendship delegation.

DPRK Delegation Leaves for Dandong

SK2808043589 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 27 Aug 89

[Text] A seven member amity Colegation from Sinuiju City, the DPRK, headed by (Kim Hui-hyon), chairman of the Administrative and Economic Guidance Committee of Sinuiju City, ended its visit and sightseeing in Shenyang and left for Dandong by train on the afternoon of 27 August.

The Sinuiju City amity delegation from the DPRK came to Shenyang from Harbin by train on 25 August. During its stopover in Shenyang, Vice Governor Chen Suzhi cordially met with and feted the delegation members.

The Korean guests visited the Shenyang Transformer Plant, the monosodium glutamate plant, the oil and fat chemicals plant, the oil processing plant of the No 3 grain depot, Taoxian Airport, and the Central Commercial Building.

Defense Minister Fetes DPRK Delegation

OW2608121689 Beijing XINHUA in English 1132 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—General Qin Jiwei, Chinese defense minister, met and hosted a banquet for a visiting Korean military delegation here this evening.

Qin Jiwei, also a member of the Political Bureau of the Chinese Communist Party Central Committee and a State Councillor, expressed a warm welcome to the Korean delegation headed by Senior General Choe Kwang, an alternative member of the Political Bureau of the Workers' Party of Korea and chief of the General Staff of the Korean People's Army.

Korean Ambassador to China Chu Chang-chun attended the meeting and the banquet.

Provincial Delegation Leaves for DPRK

SK2608221089 Shenyang Liaoning Provincial Service in Mandarin 0930 GMT 25 Aug 89

[Text] At the invitation of the Workers Party of Korea [WPK] committee of North Pyongan Province, the DPRK, an eight member Liaoning provincial CPC delegation, led by Wang Julu, deputy secretary of the Liaoning Provincial CPC committee, and with Shang Wen, member of the Standing Committee of the provincial party committee and director of the Organization Department, and Zhu Chuan, member of the Standing Committee of the Liaoning Provincial Advisory Commission, as deputy leaders, left Dandong this morning for North Pyongan Province, the DPRK, for a friendly visit.

When the delegation left Shenyang on 23 August, Chen Suzhi, member of the Standing Committee of the Liaoning Provincial CPC committee and vice provincial governor. Yu Xiling, member of the Standing Committee of the provincial party committee and secretary general of the provincial party committee, and Ge Xifan, member of the Standing Committee of the provincial Advisory Commission, and responsible persons of departments concerned saw the delegation off at the railway station.

Also seeing the delegation off at the railway station was Yu Man-Pok, consul general of the DPRK consulate in Shenyang.

Jilin Group Leaves for DPRK Visit

SK2508235189 Changchun Jilin Provincial Service in Mandarin 2100 GMT 23 Aug 89

[Text] At the invitation of Chagang Province in the DPRK, the eight-member propagandist delegation of Jilin Province, headed by (Sun Naimin), deputy director of the Propaganda Department of the Jilin Provincial party committee, left Changchun for Chagang Province in the DPRK on 23 August. When the delegation departed Changchun, it was seen off by (Liu Guosu), deputy director of the Propaganda Department of the provincial party committee, and by responsible persons of the pertinent departments.

Shenyang Governor Meets DPRK Scientists

SK2708014089 Shenyang LIAONING RIBAO in Chinese 3 Aug 89 p 1

[Text] On 1 August in Shenyang. Governor Li Changchun and Vice Governor Lin Sheng met with and hosted a delegation of scientists and technicians from the DPRK, headed by Yi Cha-pang, chairman of the State Science and Technology Committee. Yu Man-pok, consul general of the DPRK Consulate in Shenyang, was also received. This delegation arrived in Shenyang on 31 July for a visit and departed for Changchun on 2 August.

Judicial Assistance Pact with MPR Initialed

OW2508151189 Beijing XINHUA in English 1342 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—A treaty of judicial assistance in civil and criminal matters between China and Mongolia [MPR] was initialed here today, according to the Chinese Foreign Ministry.

Chinese Vice Minister of Foreign Affairs Zhu Qizhen and Mongolian Vice Minister of Justice O. Amarhuu held negotiations in Beijing from August 19 to 25 to draw up the treaty.

The Foreign Ministry said both sides were in consensus on all articles of the treaty.

The Mongolian delegation will leave Beijing tomorrow.

Southeast Asia & Pacific

Qian Qichen Willing To Attend Cambodia Meeting

OW2608101989 Beijing XINHUA in English 0959 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Chinese Foreign Minister Qian Qichen will go to Paris to attend the ministerial meeting of the international conference on Cambodia, if the four committees of the conference can succeed in producing agreements, a Chinese Foreign Ministry spokesman said in response to a foreign correspondent here today.

The Paris International Conference on Cambodia, which attracts world-wide attention, has been in session for nearly a month, the spokesman noted.

Together with most of the other participating countries, China has worked energetically for the success of the conference, said the spokesman.

However, due to the intransigence of Vietnam and the Phnom Penh authorities, there are still difficulties in reaching agreements at the conference, he pointed out.

China maintains its willingness to continue doing its best in a joint effort with the other participating countries, he stressed.

If the four committees of the conference could all succeed in producing agreements, Foreign Minister Qian Qichen would go to Paris to attend the ministerial meeting, the spokesman said, adding that pending this, the minister would ask Vice Foreign Minister Liu Shuqing to attend the meeting on his behalf.

Delegates Visit Laos; Agree To Open Consulates

OW2608194489 Beijing International Service in Mandarin 0900 GMT 26 Aug 89

[Text] At the invitation of the Ministry of Foreign Affairs of the Lao People's Democratic Republic, a consular delegation of the PRC Ministry of Foreign Affairs visited Laos from 19 through 24 August.

In a sincere and friendly atmosphere, the consular delegations of the two countries had talks on 'he signing of a PRC-Lao consular treaty and reached a basic unanimity on all the clauses of the treaty.

PLA Commander Chi Haotian Visits Thailand

Departs 26 Aug

OW2608035789 Beijing XINHUA in English 0152 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—General Chi Haotian, chief of general staff of the Chinese People's Liberation Army [PLA], left here today for a visit to Thailand at the invitation of Chawalit Yongchaiyut, acting supreme commander of the Armed Forces and commander of the Army of Thailand.

Meets Chawalit

OW2608144989 Beijing XINHUA in English 1431 GMT 26 Aug 89

[Text] Bangkok, August 26 (XINHUA)—Chi Haotian, chief of General Staff of the Chinese People's Liberation Army, arrived here this afternoon for a four-day visit to Thailand at the invitation of Chawalit Yongchaiyut, acting supreme commander of the Royal Thai Armed Forces and commander-in-chief of the Thai Army.

Chawalit met Chi at the Royal Plaza Square immediately upon Chi's arrival from the airport.

During his visit, Chi is expected to attend a ceremony at which 36 pieces of construction-use machinery from China, including bulldozers, will be presented to the Thai Army, to be used in implementing the "plan of greening the northeast", a poorer area in Thailand.

Chi is expected to call on King Phumiphon Adunyadet and Prime Minister Chatchai Chunhawan during the visit.

Presents Construction Machinery

OW2708180789 Beijing XINHUA in English 1441 GMT 27 Aug 89

[Text] Bangkok, August 27 (XINHUA)—Prime Minister Chatchai Chunhawan today described China's presentation of bulldozers, excavators and other construction machines to Thailand as "an embodiment of cooperation between the two friendly countries."

The prime minister was addressing a ceremony of presenting these machines by the Chinese Government and Army to their counterparts in Thailand here this morning, which was also attended by Chawilit Yongchaiyut, acting supreme commander of the Royal Thai Armed Forces.

Chinese Ambassador Li Shichun and Chi Haotian, chief of the General Staff of the Chinese People's Liberation Army, were present at the ceremony.

Chatchai also described the presentation as "a generous help aimed at promoting the happiness and welfare of other peoples." He pledged to further the friendship between Thailand and China.

The Chinese ambassador hoped the machines will benefit the Thai people.

Chi Haotian said the friendship between China and Thailand "accords with the fundamental interests of the two peoples and contributes to peace and stability in the region and the whole of Asia." He praised the Thai Government's efforts to support the Kampuchean people in opposing outside aggression and maintain peace in the region.

The bulldozers and other machines presented by China will be used in the Thai Government's scheme of afforestation in northeast Thailand starting [as received] in 1987.

Meets Chatchai

OW2708125789 Beijing XINHUA in English 1156 GMT 27 Aug 89

[Text] Bangkok, August 27 (XINHUA)—Thai Prime Minister Chatchai Chunhawan met here this morning with General Chi Haotian, chief of General Staff of the Chinese People's Liberation Army [PLA], and had a cordial and friendly conversation with the Chinese general.

A Chinese source who was present on the occasion told reporters after their meeting that the Thai prime minister first of all thanked the Chinese Government and Army for giving 36 pieces of construction machinery to Thailand as a gift, and said these machines will symbolize the friendship between the Thai and Chinese peoples.

Earlier this morning, Chi Haotian attended a presentation ceremony to hand over the Chinese machinery, including bulldozers and excavators, to the Thai Government and Army. The machinery will be used in implementing the anti-poverty "plan of greening the northeast" launched by the Thai Government in 1987.

The Thai prime minister indicated at their meeting that he will make further efforts to promote the friendly and cooperative relationship between the two countries.

Chi said that further development of Chinese-Thai friendship is in the interests of both of the countries.

During the meeting, Chatchai asked Chi to convey his regards to the Chinese leaders and Chi also conveyed to him the regards of the Chinese leaders.

Chawalit Yongchaiyut, acting supreme commander of Royal Thai Armed Forces and commander-in-chief of the Thai Army, and Chinese Ambassador to Thailand Li Shichun were present at the meeting.

Chi Haotian arrived here yesterday for a four-day visit to Thailand at Chawalit's invitation.

Attends Dinner

OW2708170689 Beijing XINHUA in English 1537 GMT 27 Aug 89

[Text] Bangkok, August 27 (XINHUA)—Acting Supreme Commander of the Royal Thai Armed Forces Chawalit Yongchaiyut and Chief of the General Staff of the Chinese People's Liberation Army Chi Haotian today pledged to promote friendly relations between their two peoples and two armies.

Speaking at the dinner given in Chi's honor, Chawalit praised the presentation of engineering machinery by China this morning as "a symbol of friendship and cooperation between the two countries," which he said "have experienced a big growth in the past decade, especially in the last two years."

He believed that the cooperation and deep friendship will last forever.

Chi pledged unremitting efforts to develop the friendship between the two armed forces and two peoples.

Chi, who arrived here Saturday, is on a four-day visit in Thailand at the invitation of Chawalit.

He attended the ceremony of presenting machinery to the Thai Government and the Royal Thai Armed Forces and met with Prime Minister Chatchai Chunhawan this morning.

Thai Armed Forces Committee Delegation Visits

NPC Chairman Meets Delegation

OW2608122489 Beijing XINHUA in English 1134 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Chairman Wan Li of the National People's Congress (NPC) Standing Committee conversed here today with a delegation from the Armed Forces Committee of the House of Representatives of the Thai National Assembly.

Wan thanked the Thai Government for adopting a friendly position on the Chinese Government's quelling of the anti-government riots.

He spoke highly of the cooperation and exchange between China and Thailand in the political, economic, trade, scientific and military fields, saying that he expected more contacts between the two countries and their parliaments.

Siri Sirirangsi, leader of the delegation and chairman of the Armed Forces Committee of the House of Representatives, reaffirmed that Thailand's policy toward China remains unchanged. He told Wan that he and his colleagues had the impression that the situation in Beijing had come back to normal.

Wan Li said that China's reform and open policies and its independent and peacecful foreign policy including the principle of enhancing its cooperation with other Third World countries will not change.

Official Meets Committee Head

OW2508152689 Beijing XINHUA in English 1347 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—There are no conflicts but only mutual understanding, friendship, and cooperation between China and Thailand, said a Chinese congressional leader here today.

Liao Hansheng, vice chairman of the Standing Committee of China's National People's Congress (NPC) and chairman of the NPC's Foreign Affairs Committee, said cooperation between the two countries in politics, economics, trade, science, technology, culture, and other fields has been smooth.

In a meeting with Admiral Siri Sirirangsi, chairman of the Armed Forces Committee of Thailand's House of Representatives, Liao said there are broad prospects for further cooperation between the two countries.

Admiral Siri Sirirangsi is heading a delegation of his Armed Forces Committee in China.

Liao said the current visit of the Thai delegation has showed Thailand's enthusiasm for consolidating and developing Sino-Thai relations.

The Chinese congressional leader also expressed thanks to the Thai Government for its support and understanding of China's actions against the June riots.

He told his guests that China will not change its independent foreign policy of peace and its policy of opening to the outside world.

Admiral Siri Sirirangsi said the Thai Government believes that the Chinese Government can fully control its domestic situation. He said it was necessary for China to take measures to put down the riots. It was a matter of China's internal affairs and no other country should interfere in such affairs, he said.

The Thai admiral said Thailand will maintain its present policy toward China and continue to conduct economic and cultural exchanges with China. Earlier in the day, Admiral Siri Sirirangsi held talks with Zeng Tao, an NPC Standing Committee member and vice chairman of the NPC's Foreign Affairs Committee.

Thai Delegation Visits Jilin Province

SK2708082589 Changchun Jilin Provincial Service in Mandarin 2100 GMT 25 Aug 89

[Excerpts] At the invitation of the Jilin International Trust and Investment Group, a five member industrial observation group from Thailand, led by Mr (Wu Naiqing) arrived in Changchun from Beijing by plane on 25 August.

That evening, Vice Governor Wang Yunkun met with and feted the Thai guests at the Nanhu Hotel. Both the host and the guests held cordial and friendly talks. [passage omitted]

During their stay in Changchun, the Thai guests will hold business talks with the provincial International Economic and Technological Development Company, the first Light Industrial Department, the Foods Industrial Company, and other units concerned on running a jointly financed metallurgical plant in Thailand and on importing and exporting agricultural and industrial products through joint investment and through mutual cooperation. The delegation will also inspect and visit the Jilin (Jiuzan) sugar refinery and the Yitong alcohol plant.

Singapore To Help Guangxi Build Container Port

OW2808143989 Beijing XINHUA in English 1151 GMT 28 Aug 89

[Text] Singapore, August 28 (XINHUA)—A six million U.S. dollar contract has been signed here between a Singapore group and a mission of China's Guangxi Zhuang Autonomous Region to build a container-handling port in Fangcheng Port at the southern tip of the region.

Under the contract signed last Saturday, the Singapore group will raise 12 million to 15 million Singapore dollars (6-7.5 million U.S. dollars) to convert one of seven berths at Fangcheng Port into a container terminal with a handling capacity of more than one million tons a year.

The Singapore group consists of five major marine firms.

A delegate from the Guangxi mission, who is here for signing the contract, told XINHUA today that the Singapore side is to send soon a team to Fangcheng to study and research details of the port's expansion plan, which will start early next year and be completed within one and half years.

Burmese Official Comments on Border Trade

OW2808084289 Beijing XINHUA in English 0805 GMT 28 Aug 89

[Text] Yangon (Rangoon), August 28 (XINHUA)—Myanmar (Burmese) border trade with China has achieved considerable success since it resumed in 1988, a high-ranking Myanmar (Burmese) official said, the WORKING PEOPLE'S DAILY reported today.

Inspecting northern border areas last week, Brig-Gen Khin Nyunt, secretary (1) of the State Law and Order Restoration Council, urged the service personnel to gradually improve border trade.

He said, "China-Myanmar friendship has been strengthened. Service personnel should be careful in everything they do so as not to affect the existing friendship between the two nations."

The present government has adopted an open door economic policy since it came to power in September last year.

XINHUA Reports Close of ASEAN Conference

OW2708191489 Beijing XINHUA in English 1150 GMT 26 Aug 89

[Text] Manila, August 26 (XINHUA)—The 10th ASEAN Inter-Parliamentary Organization (AIPO) Conference closed here today after one-week sessions on political, economic and social matters facing member countries of the Association of Southeast Asian Nations (ASEAN).

In a 54-page carefully worded joint communique signed at the closing ceremony this morning, the parliamentary delegations from Indonesia, Malaysia, the Philippines, Singapore and Thailand called for "greater cooperative efforts to establish a more effective, viable and collective ASEAN regional arrangement."

The annual conference held since August 21 adopted resolutions on political matters, socio-economic matters and organizational matters, which were prepared by various study committees.

In its resolution on political matters, the conference voiced full support for a comprehensive political settlement of the Kampuchean problem, expressed concern over the plight of peoples in Afghanistan, Palestine and South Africa, and reaffirmed the determination to work toward the early realization of the establishment of a zone of peace, freedom and neutrality (ZOPFAN) in Southeast Asia and the Southeast Asian nuclear weaponfree zone (SEANWFZ).

In another resolution on socio-economic matters, the participants stressed ASEAN trade expansion scheme and economic cooperation and ASEAN initiative against trade protectionism resorted to by developed countries, and specified the ASEAN cooperation in the fields of

research and training, environment, public health, population and development, in the adoption of common policies to combat narcotics, trafficking and drug abuse, in the full participation of the elderly at all levels of cooperation and social development, and in the training of youth.

The conference failed to formally discuss the issue of U.S. military bases in the Philippines and to forge any regional consensus on it, but only declared in general terms in the communique, "the eventual and orderly dismantling of all foreign military facilities/bases and the removal of nuclear weapons will greatly facilitate the early realization of the establishment of ZOPFAN and SEANWFZ."

The participants also did not reach agreement on the formation of an ASEAN common market and currency but instead set it as long-term goals of ASEAN economic cooperation to be fleshed out at the next AIPO meeting.

On organizational matters, the conference decided to establish a permanent AIPO Secretariat for an initial period of three years in Jakarta.

It also resolved that the 11th AIPO General Assembly will be from September 3-8 1990 in Singapore.

The conference recommended the inclusion of the subject of ASEAN Parliament in the agenda of the AIPO 11th meeting.

Then Ramon Mitra, president of the 10th AIPO Conference and speaker of the House of Representatives of the Philippines, delivered closing remarks, hailing the conference as "productive".

He said: "We in ASEAN share a view of the world," and "AIPO bears a large share of the responsibility for organizing" ASEAN cooperation.

Amidst warm applause, he transferred the office of the president of AIPO to Tan Soo Khoon, speaker of Parliament of Singapore, who as president of the incoming AIPO Conference, made a brief acceptance speech and invited all delegates to Singapore next year.

Leaders of parliament delegations from Indonesia, Malaysia, the Philippines, Singapore and Thailand also delivered closing remarks, pledging to implement the resolutions adopted at the outgoing AIPO Conference.

Brunei, the sixth ASEAN member, attended the conference as observer because it has no parliament.

Observer delegations from Australia, Canada, China, Japan, the Soviet Union and South Korea also participated in the conference.

While attending the conference for the first time, the Chinese observer delegation led by Yao Guang held friendly dialog with the Philippine congressional delegation on bilateral relations and regional and international issues of common interest. Parliamentarians from Malaysia, Thailand and Australia also attended the dialog.

Near East & South Asia

Bangladesh Foreign Minister Concludes Visit

Interviewed by XINHUA

OW2508122789 Beijing XINHUA in English 1205 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—Bangladesh and China have been developing a "special relationship" since their establishment of the diplomatic ties in 1976, said visiting Bangladesh Foreign Minister A. I. Mahmud here today.

In an exclusive interview with XINHUA this afternoon, Mahmud said that since 1976 there have been many exchanges of high-level visits, representing "the landmark in the friendship and cooperation" between the two countries.

Over the years, he went on, the two countries have had an extensive cooperation with many agreements concluded on economy, culture, shipping and other fields.

Referring to the increasing trade relations between the two countries, the minister hoped that China would import more goods from his country so as to maintain a trade balance.

Noting that China's rural industries have been fairly well developed, he said the two countries can expand cooperation in this field. "I believe this will benefit the rural people," he said.

When asked to comment on China's present situation, he said that "we have noted the recent development in China and we believe that this is China's internal affairs." He said that China's problems should be resolved by the Chinese themselves without outside interference.

Turmoils, misunderstanding and clashes of a country should not give opportunities for other countries to interfere in the internal affairs of that country, the minister said.

"We hope that the leadership of China, with the cooperation of the Chinese people, will lead China to prosperity," he said.

Referring to his talks with the Chinese leaders during his stay here, the minister said that the two sides had extensive and in-depth discussions on bilateral, regional and international issues and shared identical or similar views.

On the recent development of China's relations with the Soviet Union and India, he said: "We welcome this development where conflict has given way to friendship

and understanding because we believe that such understanding and dialogue will not only benefit the countries concerned but will also benefit the region as a whole."

"We hope that this development will have a positive result in the region," he added.

Returns Home: Gives Reactions

OW2708175589 Beijing XINHUA in English 1533 GMT 27 Aug 89

[Text] Dhaka, August 27 (XINHUA)—Bangladesh Foreign Minister Anisul Islam Mahmud returned here today from his week-long trip to the Democratic People's Republic of Korea (DPRK) and China.

"The visits have been extremely useful and will contribute to further strengthening of the bilateral ties with the two countries," Mahmud told reporters at the airport.

Asked about his discussions in Beijing with Chinese Premier Li Peng and his Chinese counterpart Qian Qichen, he said that the two sides had an overview of the state of cooperation at different levels and explored possiblities of further cooperation in new areas.

He said the recent improvement in the Sino-Soviet and Sino-Indian ties figured in his talks with Chinese leaders. Bangladesh welcomes these developments which will be beneficial not only to their bilateral relationship but also to the stability of the region, he added.

He disclosed that Chinese Premier Li Peng will visit Bangladesh later this year and the First Lady Begum Ershad will pay a visit to China early next month.

Saudi Commercial Representative Shows Credentials

OW2808083089 Beijing XINHUA in English 0748 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—Tawfiq Khalid al-Madar, the first Saudi Arabian commercial representative to China, presented his certificate of appointment to Chinese Foreign Minister Qian Qichen here today.

Official on Commodities Fair in Saudi Arabia

OW2808011689 Beijing XINHUA in English 0044 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—China is planning an export commodities exhibition in Saudi Arabia aiming to promote trade and economic cooperation between the two countries, according to today's "CHINA DAILY".

The Chinese Export Commodities Exhibition'89, the first large-scale trade fair to be held in the country, is sponsored by the China Council for the Promotion of International Trade (CCPIT). It will be staged December 5-15 in Riyadh, capital of Saudi Arabia, said Li Xiumei, a CCPIT official.

About 56 Chinese foreign trade corporations will take part in the exhibition including China Great Wall Industry Corporation, China National Electronics Import and Export Corporation, China National Agricultural Machinery Import and Export Corporation and China North Industries Corporation.

Li said that the main exhibits in the area of 2,000 square meters include machinery and equipment, agricultural machinery, electronics, chemical products, precision instruments, new building materials, cars, household electrical appliances, metals and mineral products, light industrial products, textiles, garments, silk, carpets, arts and crafts, cereals, oils and foodstuffs, tea, stationery and sporting goods.

In addition, models of satellites, rockets, ships, airplanes and pictures showing economic construction achievements as well as China's beautiful scenery will be displayed.

The CCPIT official said the Chinese foreign trade corporations are well prepared for this exhibition and are ready to negotiate contracts with Saudi Arabian trade, commercial and industrial communities.

She expressed the hope that the exhibition will present to the Saudi Arabian people some aspects of Chinese economic achievements as well as the country's potential for foreign trade.

Although China does not have diplomatic relations with Saudi Arabia, trade between the two countries has expanded rapidly in recent years.

Health Minister Chen Minzhang Leaves for Libya

OW2708000689 Beijing XINHUA in English 1428 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—A Chinese Government delegation led by Minister of Public Health Chen Minzhang left here this evening for Tripoli, capital of Libya, to attend the celebrations for the 20th anniversary of the Great First of September Revolution.

Li Tieying Meets Iranian Delegation of Scholars

OW2608144289 Beijing XINHUA in English 1152 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Li Tieying, Chinese state councillor and minister in charge of the State Education Commission, met here today with an Iranian delegation of scholars.

The delegation was led by Dr Shojaee Fard [name as received], Iranian vice minister of higher education and culture and president of the Higher Education Research Institute of Iran.

Fard told his host that Iran wants to have extensive cooperation with China in education, science and technology.

Expressing his agreement, Li said that China will, as always, develop friendly relations with Iran and other Third World countries.

The Iranians arrived in China August 14 as guests of the Association for International Understanding of China. They had already toured Xian, Shanghai and Hangzhou.

Vice Premier Meets Delegation From PDRY

OW2508142089 Beijing XINHUA in English 1051 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—Chinese Vice Premier Tian Jiyun met an economic and trade delegation from the People's Democratic Republic of Yemen, led by Mohamed A. Duba, deputy minister of construction and housing, here today.

Tian expressed satisfaction over the growth of bilateral economic cooperation and said that although China's assistance to Yemen is limited, it tries to bring out the best effect.

Both sides agreed to continuously expand the friendship and cooperation between the two countries.

The delegation is here to attend the second session of the Mixed Committee of the Sino-Yemen Economic, Technological and Trade Cooperation.

Sub-Saharan Africa

Li Peng Sends Message to UN Council of Namibia

OW2508173989 Beijing XINHUA in English 1441 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—Chinese Premier Li Peng said today that China supports the United Nations Council of Namibia in its tremendous efforts to mobilize world support for the Namibian people in their struggle for national independence.

In a message to U.N. Namibia Council President Peter Zuze on U.N. Namibia Day, Li said that the council "has made consistent and unremitting efforts and played a positive role in promoting the implementation of the relevant U.N. resolutions and supporting the just struggle of the Namibian people for national independence."

With Namibia now entering a crucial stage in its independence process, Li urged the international community to put pressure on the South African government to "strictly implement the relevant agreements so as to ensure a free and fair general election and the realization of independence in Namibia."

Li said that China "will, as always, actively support the just struggle of the Namibian people."

Li said that with the support of the peoples of the world, the Namibian people will achieve national independence by strengthening unity.

Wu Xueqian Attends Namibian Reception in Beijing

OW2508153089 Beijing XINHUA in English 1339 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—A reception was held here today to mark the "Namibian Day," which was attended by Chinese Vice Premier Wu Xueqian.

Speaking at the reception, Liu Gengyin, vice president of the Chinese People's Association for Friendship With Foreign Countries, described the year 1989 as one in which "a historical change is taking place in the southern and western Africa."

"Today, we are happy to welcome the beginning of the process of Namibia's independence, which has attracted worldwide attention, and celebrate the forthcoming independence of Namibia after suffering a great deal under South Africa's protracted domination," he said. "We will continue to support and voice solidarity with the unyielding Namibian people in their just struggle for national independence so that its independence can be realized as scheduled."

He went on to say that with the beginning of the process of Namibia's independence and the implementation of No. 435 Resolution of the UN Security Council, the Namibian people's desire for national independence will finally be fulfilled and "the historical mission of decolonization of the African continent will finally be completed."

He called on the various parties, especially the South African authorities, to "keep their word and earnestly carry out the various resolutions and agreements."

He said: "We would like to call on the international community to maintain high vigilance, continue to put pressure on the South African authorities and voice solidarity with and support the Namibian people in their struggle. We also sincerely hope that the South West Africa People's Organization and other patriotic forces will strengthen their unity, adopt correct policies and tactics to ensure a smooth election and achieve the independence of Namibia as scheduled."

Liberian Ambassador to China Christopher Ricks, also made a speech in the capacity of acting dean of the African Diplomatic Corps in Beijing.

He said that Namibia, the last patch of land still under colonialist rule, represents something special for the African continent.

Briefing on the history of the Namibian people's struggle for national independence, he thanked the UN secretary general, the South West Africa People's Organization, Cuba, China as well as other peace-loving countries and peoples for making it possible to begin the process of Namibia's independence.

Also present at the reception were Gong Dafei, president of the China-Africa Friendship Association, and diplomatic envoys of African countries to China.

State Councillor Meets Delegation From Guinea

OW2508142989 Beijing XINHUA in English 1056 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—Qin Jiwei, Chinese state councillor and minister of national defense, met a goodwill delegation from Guinea here today at the Great Hall of the People.

The delegation is led by Amadou Mangatta Bangoura, secretary general of the Permanent Secretariat of the National Military Committee of Redemption of Guinea.

During the meeting, Qin briefed the visitors on the quelling of the counter-revolutionary rebellion by the Chinese Government in early June. He said some foreign governments and organizations have made unwarranted charges on the event. "This is interfering with China's internal affairs," he added.

He pointed out that the Chinese Government will not yield down to any pressure from outside and will not change its policy.

Qin also spoke highly of the all-round development of the Sino-Guinean friendly relations and cooperation and reiterated that China would continue its policy of developing relations with the Third World countries.

Bangoura expressed his thanks for China's support for his country's economic construction.

The delegation arrived in China August 10 at the invitation of the Chinese People's Association for Friendship With Foreign Countries. It has toured Shanghai, Nanjing, Suzhou and Wuxi Cities.

PRC Gives Agricultural Tools to Cameroon

OW2608060589 Beijing XINHUA in English 0545 GMT 26 Aug 89

[Text] Yaounde, August 25 (XINHUA)—China gave Cameroon 287 engines and other agricultural tools today as part of an agricultural cooperation project.

The gift, worth about 26,000 U.S. dollars, includes 75 cultivators, 100 sprays, 200 threshing machines, 10 mill engines and 10 rice-hulling machines.

Burkinabe President To Visit in September

OW2608010189 Beijing XINHUA in English 0019 GMT 26 Aug 89

[Text] Lome, August 25 (XINHUA)—Burkina Faso President Blaise Compaore will pay friendly official visits to China and Japan in September, the Burkinabe information agency reported today.

This will be Compaore's first visit to the two Asian countries since he took power on October 15, 1987.

West Europe

West European Airlines Resume Flights to PRC

OW2708043489 Beijing Domestic Service in Mandarin 2130 GMT 23 Aug 89

[Text] Western European airline companies have resumed, one after another, regular flights to Beijing that were once cancelled, suspended, or reduced. These airline companies have begun regular flights in accordance with a new plan. They are the airline companies of Switzerland, Finland, Britian, and France. Swiss Air and Lufthansa's two to three weekly flights to Beijing were never suspended.

East Europe

Bulgarian-PRC Friendship Association Founded

OW2508064389 Beijing XINHUA in English 0552 GMT 25 Aug 89

[Text] Sofia, August 24 (XINHUA)—The Bulgarian-Chinese Friendship Association was founded here today.

Professor Ivan Iliev, member of the Bulgarian Communist Party Central Committee and correspondence academician of the Academy of Science of Bulgaria, was unanimously elected chairman of the association at today's inaugural meeting.

Noted Bulgarian poet Liliana Tefanova and artist Dragan Lozenski were chosen as vice chairmen.

Iliev said that all Bulgarians are friends of China and they are all eager to know the ancient Chinese culture, history and the current achievements scored in socialist construction.

China's ambassador to Bulgaria, Li Fenglin, attended today's inaugural meeting, extending his congratulations and support to the new association.

The Chinese ambassador read a congratulatory message at the meeting by Xie Bangzhi, chairman of the Chinese-Bulgarian Friendship Association.

Ge Hongsheng, CPC Delegation Leave for Romania

OW2408152789 Beijing XINHUA in English 0741 GMT 24 Aug 89

[Text] Beijing, August 24 (XINHUA)—A party workers delegation of the Chinese Communist Party (CPC) left here by air today for a friendly visit to Romania at the invitation of the Romanian Communist Party Central Committee.

The delegation is led by Ge Hongsheng, alternate member of the CPC Central Committee and deputy secretary of the Zhejiang provincial party committee.

Latin America & Caribbean

PRC, Brazil Cooperate in Satellite Research

OW2608110389 Beijing XINHUA in English 0726 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—China and Brazil have been jointly developing an earth satellite for resource detection for one year, and the work is well under way, XINHUA learned here today.

The main design of the satellite is finished, an official connected with the research project said. Trial models of some parts of the satellite have also been made.

The satellite, scheduled to be launched in 1993, will be the first China has developed via international cooperation.

It will be used to observe the land and offshore areas of China and transmit data, the official said.

The satellite will help the state conduct surveys of land, forest, inland water and ocean resources, and monitor environmental changes.

Colombia Senate President Meets PRC Ambassador

OW2608021689 Beijing Domestic Service in Mandarin 2130 GMT 24 Aug 89

[From "News and Press Review" program]

[Text] According to a XINHUA report from Bogota, on 22 August (Luis Guillermo Ciraerdo), president of the Colombian Senate, pointed out that the international community should respect the measures and policies adopted by the Chinese Government in handling its internal affairs.

President (Luis Guillermo Ciraerdo) made the above remarks during a meeting with Wang Yusheng, Chinese ambassador to Colombia. He was glad that China's problem was properly solved. He pointed out: The Colombian Government managed to maintain its own objective judgement, thanks to the increased contacts and communications between Colombia and China, despite the fact that some international organizations tried to use their propaganda machines to isolate China in the international community.

Political & Social

Deng Reported Traveling, Meeting Officials

HK2608014389 Hong Kong SOUTH CHINA MORNING POST in English 26 Aug 89 p 8

[By David Chen]

[Text] Paramount leader Deng Xiaoping, who is rumoured to be in ill health, has been travelling round the country, holding meetings with top party, government and military officials, it was reliably learned yesterday.

At the same time, a Chinese Foreign Ministry spokesman described as "groundless" a NEW YORK TIMES report that Mr Deng was in very poor health and receiving treatment at the seaside resort of Beidaihe.

A similar report appeared in a leading Hong Kong newspaper, claiming that the elderly leader, who turned 85 on Tuesday, had to be kept under an oxygen tent.

Chinese sources also denied the newspaper report that conservative leaders had taken control of almost all aspects of political and government life and had fabricated "a will" by Mr Deng.

Although Mr Deng was last seen in public on June 9 when he appeared on television to endorse the action of martial law enforcers, he had been reported in both official media and Western press to be directing the country's political affairs.

On the eve of Mr Deng's birthday, the NEW CHINA NEWS AGENCY issued a photograph of the elderly leader in a Mao suit, apparently at a party meeting. The agency said the picture was taken on July 2.

Chinese sources said Mr Deng had recently been travelling to meet senior leaders, moving from one city to another "always on land and by boat, but never by air."

Informed Western sources said Mr Deng was reported to have been seen in at least three places—Beijing, Beidaihe and Dalian.

"The fact that he has been travelling around at least indicates that he is not as ill as those foreign reports portray him to be," the sources said.

The sources also disclosed that many provincial leaders, who were in Beijing for a series of working sessions, had left the capital. However, most had yet to return to their respective provincial capitals.

Guangdong governor, Ye Xuanping, had left for Beijing and was reported by official press to have met Hong Kong visitors on the mainland. Chinese sources said the eldest son of the late Marshal Ye Jianying was still "away from Guangzhou."

Meanwhile, observers were searching for clues to a possible thaw in Sino-American relations during the

current visit to the mainland by President George Bush's emissary, Mrs Anna Chennault.

Mrs Chennault, who flew to Beijing a week ago, had been meeting senior Government officials although the Chinese media were reticent about her movements.

Most analysts believe that she will hold talks with Mr Deng, either in Beidaihe or in Beijing.

However, a Japanese source said Mrs Chennault was not likely to meet the top leader even though she might be carrying a special message from Mr Bush.

Chinese sources also said that the much speculated meeting had never been on Mrs Chennault's China agenda.

Mrs Chennault is expected to give a press conference in Beijing this afternoon before flying back to Hong Kong tomorrow on her way home.

CPC To Reestablish Cells Throughout Government

HK2808015189 Hong Kong SOUTH CHINA MORNING POST in English 28 Aug 89 pp 1, 2

[By Willy Wo-lap Lam]

[Text] The Chinese Communist Party plans to reestablish party cells in government ministries and departments.

The abolition of the cell system in certain government units was a key goal of political reform initiated by former party General Secretary Zhao Ziyang in an effort to "separate party and government".

But after the suppression of the "counter-revolutionary rebellion", the party has decided to strengthen party organisations and beef up their authority.

Mr Zhao's program, which began in the middle of last year, was to retain party organisations only in ministries and departments involved in education, customs, propaganda, legal and security affairs, minority nationalities, and the restructuring of the economy.

By spring this year, party cells had been dismantled in about a quarter of the departments under the State Council.

The decision to re-establish the cells was made at a meeting of the directors of party organisation departments last week.

"The aim of the reform of the political structure is to strengthen and perfect party leadership, not to dilute, curtail or abolish it," party General Secretary Jiang Zemin said.

The directors recommended that the cells promote ideological conformity and ensure that the party line be uniformly carried out nationwide. "Party secretaries of all offices and organisations in the nation will be given more authority," a diplomatic analyst said.

"Take for example factories and mines. Mr Zhao had advocated the manager responsibility system under which professional managers, not party secretaries, called the shots. Now, party functionaries will reassert their authority."

The belief is that only party secretaries, who are veteran party functionaries well-versed in Marxist ideology, can ensure that government departments as well as factories, farms and schools do their work according to socialist principles.

The process of setting up cells in such political organisations as the National People's Congress and the Chinese People's Political Consultative Conference will also be speeded up.

The re-establishment of party cells is considered a major setback for political reform and for the liberal wing of the party.

"The goal of the separation of party and government was laid down at the watershed 13th Party Congress of late 1987," a Western diplomat said.

"In an internal speech shortly after the June 4 massacre, Mr Deng Xiaoping insisted that the resolutions of the 13th Party Congress be upheld. Now, it seems apparent that party hard-liners are rolling back reforms which even Mr Deng had approved."

Political analysts say that the re-establishment of the cells will greatly enhance the powers of Mr Song Ping, head of the party's Organisation Department and a newly-elevated member of the Politburo Standing Committee.

Considered a hard-liner, Mr Song is a protege of patriarch Mr Chen Yun—a long-standing political rival of Mr Deng and a close ally of such conservative leaders as Prime Minister Li Peng and Vice-Premier Yao Yilin.

"The party cell of a government unit nominates and appoints its head," a Chinese source said. "Since the heads of party cells report to the CCP's [Chinese Communist Party's] Organisation Department this means that Mr Song has effective control over the appointments of all government positions".

In a parallel development, Chinese sources have confirmed that the Research Office for the Reform of the Political Structure, a unit under the Central Committee that was set up by Mr Zhao in early 1988, has been formally dismantled.

Headed by Mr Bao Tong, Mr Zhao's former secretary, the office was instrumental in implementing political reform programs approved by the 13th Party Congress. Mr Bao, labelled a "key conspirator" behind the prodemocracy movement, was arrested by martial law authorities before the June 4 crackdown.

NPC Standing Committee To Hold Session

Slated for 29 Aug

HK2708051489 Beijing ZHONGGUO XINWEN SHE in Chinese 0857 GMT 26 Aug 89

[Report: "The Ninth Session of the Seventh National People's Congress Standing Committee To Be Held in Beijing on 29th of This Month"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 26 August (ZHONGGUO XINWEN SHE)—The Ninth Session of the Seventh National People's Congress [NPC] Standing Committee is scheduled for the 29th of this month. If this session approves it, the period for the solicitation of opinions on the draft of the Hong Kong Basic Law will be extended to the end of October. The draft law on assembly, procession, and demonstration will be examined again at this session.

This morning, Zhang Husheng, [1728 5706 3932], news spokesman for the NPC Standing Committee, presided over a news briefing in the Great Hall of the People. When the Eighth Session of the NPC Standing Committee was held in late June, no news briefing was arranged. This time, members of the NPC Standing Committee have extended invitations to foreign news organizations in Beijing. Today, several dozen foreign reporters and one Hong Kong reporter were present.

The ninth session of the Standing Committee will last about a week. The agenda proposed at a meeting of the Standing Committee chairmen is as follows:

- —examine the "(draft) law on assembly, process, and demonstration;"
- —examine the "(draft) law governing the organization of city residents' Committees;"
- —examine the "(draft) resolution on the extension of the period for the solicitation of opinions on the (draft) Basic Law of the Hong Kong Special Administrative Region;"
- —listen to Vice Premier Yao Yilin's report on the execution of the 1989 National Economic and Social Development Plan;
- —listen to State Councillor and Minister of Finance Wang Bingqian's report on the execution of the 1989 state budget;
- listen to reports on checking up on and straightening out corporations;
- —examine a "(draft) decision on the timetable for the election of deputies to county and township people's congresses;"

- examine the proposal on an "Agreement between the PRC Government and the Government of the Mongolian People's Republic on the Sino-Mongolia Boundary Regime [bian jie zhi du 6703 3954 0455 1653] and Handling Border Issues," which the State Council has submitted to it for approval;
- —examine the proposal for approving the "United Nations' Convention Banning the Illicit Traffic in Narcotic and Neural Drugs," which the State Council has submitted to it for deliberation and approval; and

-other business.

The above agenda will have to be approved by the Standing Committee before it can become the official agenda.

It is said that in the month or so since the draft law on assembly, procession, and demonstration was promulgated on 7th of July, the NPC Law Committee, Internal and Judicial Affairs Committee, and Legal System Working Committee have successively invited the relevant central and Beijing municipal departments, labor, youth, women, and other mass organizations; the Chinese People's Political Consultative Conference; various democratic parties; some institutions of higher learning; some law experts; and the relevant responsible persons from Shanghai and nine other cities to forums. Revision suggestions are being studied.

Zhang Husheng said: Most people think that the draft law on assembly, procession, and demonstration is very important. "It sums up China's experience and draws on relevant foreign practices. Generally speaking, it is good." They have also raised some revision suggestions.

Regarding the period for the solicitation of opinions on the draft of the Hong Kong Basic Law, which was supposed to end in late July, Ji Pengfei, chairman of the Basic Law Drafting Committee, said: Affected by the political turmoil and counterrevolutionary rebellion in some parts of the country at the beginning of spring, the solicitation of opinions could not come to an end as scheduled. Therefore, he has raised an extension suggestion and asked the Standing Committee to accept it.

In May this year, a meeting of the Standing Committee chairmen suggested that reports on checking up on and straightening out corporations be incorporated into the agenda for the previous Standing Committee session. Zhang Husheng explained: It is on the agenda for this session because at that time, the Chinese Party, Government, and relevant departments were preoccupied with the problem of putting an end to the turmoil and quelling the rebellion. It is necessary to adopt further measures to deal with corruption and straighten out corporations, in order to produce effects.

After the news briefing, a reporter raised a question on investigating member Hu Jiwei. Zhang Husheng said: His problem is now under in-depth investigation. We have not drawn the final conclusion yet. Will Hu Jiwei be

removed from the Standing Committee? He said: No one has raised this question yet.

Member Seeks End to Martial Law

HK2608030589 Hong Kong HONGKONG STANDARD in English 26 Aug 89 p 6

[By Cheung Po-ling]

[Text] A member of the Standing Committee of the National People's Congress (NPC) may ask at next week's committee meeting that martial law be lifted.

"If I attend Tuesday's meeting I feel obliged to bring up the issue," said Mr Huang Shun-shing, who represents Taiwanese on the mainland.

However, Mr Huang added he might not attend due to poor health.

The five-day meeting will discuss the "assembly and Gemonstration" law and extending the consultation period of the Hong Kong Basic Law draft to the end of October.

Members will also listen to reports on the clampdown on malpractices of state enterprises, implementation of state budget and the economic and social development plan.

It is noted the meeting may not discuss the report on committee member Mr Hu Jiwei, whose conduct is under investigation by an NPC team.

He is accused of "supporting the rebellion and subverting the government" by collecting signatures of NPC deputies, through Stone Company, demanding an emergency NPC meeting during the May student unrest.

Mr Huang said the result of the investigation would not be released in the near future as it has to be approved by a full session of the NPC next March.

He explained that Mr Hu could be exonerated, face internal disciplinary punishment or face trial.

"I was the first to call for an emergency NPC session during the turmoil. If Mr Hu is guilty of the so-called crime, I am equally guilty. Why didn't they come to me instead of him?" said an emotional Mr Huang, whose Taiwanese nationality has apparently saved him from a lot of trouble.

He said Mr Hu's action was "well within the scope of a Standing Committee member's duties....He has the right to commission Stone Co to collect signatures.

"If Mr Hu erred as a party member he should be judged by the party. But he is being investigated by a state organ. The party and state should be separated," said Mr Huang.

Agenda May Include Wang Meng

OW2608060189 Tokyo KYODO in English 0544 GMT 26 Aug 89

[Text] Beijing, Aug. 26 KYODO—The National People's Congress [NPC], China's parliament, will summon its Standing Committee into session next Wednesday to deliberate the public rally and demonstration bill and other legislative business, an NPC spokesman said Saturday. The rally and demonstration bill, first made public on July 7, is aimed at tightening government control on the expression of public protests against the Communist Party and the socialist system.

The NPC Standing Committee, which meets every two months, is expected to be in session for about a week, the spokesman said.

The agenda released by the NPC spokesman does not feature personnel matters, but diplomats say the political fate of Cultural Minister Wang Meng may be at stake. Wang was the only member of the State Council, or cabinet, to have expressed objection to the military suppression of the pro-democracy movement in June.

Informed sources say it is only a matter of time for the Chinese leadership to remove Wang from the Cultural Ministry job. Wang is rumored to have already lost his position as secretary of the Cultural Ministry party organ.

Informed sources said He Jingzhi, the deputy director of the party's Central Propaganda Department, will replace Wang as cultural minister. He has already reportedly taken over Wang's party job at the ministry.

The NPC Standing Committee is empowered to endorse government decisions on the appointment or dismissal of state ministers.

Wang Meng Replacement Reportedly Chosen

HK2808083889 Hong Kong HSIN WAN PO in Chinese 28 Aug 89 p 4

[Report: "He Jingjzhi Absent From National Conference of Heads of Cultural Departments and Bureaus"]

[Text] 28 Beijing—The relevant Chinese authorities have appointed the elderly poet He Jingzhi to replace Wang Meng as the secretary of the party branch of the Ministry of Culture. He Jingzhi is a member of the Central Advisory Commission and was previously a CPC Central Propaganda Department deputy director in charge of literature and art. For various reasons, He Jingzhi has not reported for duty at the Ministry of Culture yet. Nor did he attend the national conference of heads of cultural departments and bureaus held in Beijing on 22 August.

According to reliable sources, Minister of Culture Wang Meng is recuperating at a resort in Shandong. His secretary, who is with him, called Beijing a few days ago, saying that he had once passed out because of an insufficient blood supply to his brain. Before he left for Shandong, Wang Meng was hospitalized in Beijing for stomach, intestinal, and cervical vertbra problems.

At present, Wang Meng is still the minister of culture. Vice Ministers of Culture Gao Zhanxiang, Ying Ruocheng, and Liu Deyou are now in charge of the work at the Ministry of Culture.

Jiang Presides Over Political Bureau Meeting

OW2808100289 Beijing Domestic Service in Mandarin 0930 GMT 28 Aug 89

[From the "National Hookup" program]

[Text] According to a station report, the Political Bureau of the CPC Central Committee held a plenary meeting in Beijing on 28 August. In accordance with the guidelines laid down by the 4th Plenary Session of the 13th CPC Central Committee, the meeting discussed some important issues on how to strengthen party building and endorsed the directive issued by the CPC Central Committee on strengthening party building. The meeting was presided over by Comrade Jiang Zemin, general secretary of the CPC Central Committee. Attending the meeting were 14 members and i alternate member of the Political Bureau of the CPC Central Committee.

Jiang Meets With Qinghua Teachers, Students

Speaks on Students' Role

OW2608192889 Beijing XINHUA Domestic Service in Chinese 1413 GMT 26 Aug 89

[By reporter He Ping (0149 1627)—"Local Broadcast News Service"]

[Text] Beijing, 26 Aug (XINHUA)—At a meeting with some teachers and students of Qinghua University yesterday, Jiang Zemin, general secretary of the CPC Central Committee, urged the vast number of students to heighten their spirit and, through study, enhance their understanding, learn a lesson from the recent storm, and train themselves to become reliable successors to the socialist and communist cause.

Jiang Zemin said: Young people are the future and hope of the motherland. Our attitude toward you is that we will do our best to help you, but we will also set strict requirements for you.

A Qinghua University student recently wrote to General Secretary Jiang Zemin, expressing the hope that leading comrades of the central authorities would come to the university to hear the views of teachers and students. General Secretary Jiang Zemin attached great importance to the request and paid a special trip to the university with Comrades Li Tieying, Li Ximing, and Chen Xitong yesterday afternoon to meet the teachers and students there.

During the meeting, which lasted nearly 4 hours, General Secretary Jiang Zemin had candid and sincere conversations with the teachers and students under a very lively atmosphere.

They said in their remarks that, as a result of studying the guidelines of the 4th Plenary Session of the 13th CPC Central Committee and Comrade Deng Xiaoping's speeches and other relevant documents, the vast number of teachers and students have rid themselves of many hazy ideas and acquired a clearer understanding of the truth of the rebellion and the political struggle in which the survival of the party and the country was at stake. The teachers and students said that the storm has exposed certain weaknesses of college students: While they are patriotic, they lack a firm and correct political orientation; while they yearn for democracy, they do not have a clear concept of democracy and law; while they want to stand on their own feet, they fail to appraise themselves realistically; and while they have lofty ambitions, they lack the will or the moral strength to realize them. In the future, universities and colleges should earnestly intensify their ideological and political work so that Marxism-Leninism-Mao Zedong Thought can take over the educational bastion. Universities and colleges must educate their students on patriotism, socialism, and communism, help them uphold a correct outlook of life, and upgrade their theoretical proficiency and political consciousness so that they can distinguish right from wrong and resist the inroads of liberal bourgeois thinking and other decadent ideas. Meanwhile, we should promote among the students the fine traditions of integrating theories with practice and integrateing themselves with workers, peasants, and soldiers.

After hearing everyone's speeches, Jiang Zemin said: After the storm, the students, as well as each and every one of us, should do some serious self-examination. In recent years we have talked very little about the struggle between two social systems and two ideologies; party leadership has been weakened; ideological and political work has been downgraded; and efforts to uphold the four cardinal principles and oppose bourgeois liberalization are not followed through.

Jiang Zemin reiterated that the party's policy toward intellectuals will remain unchanged. He said: Science, technology, and education are essential for socialist modernization. As part of the working class, intellectuals have been playing an active role on all front production, scientific research, education, public calth, the press, the publishing business, literature, and art. Working untiringly and selflessly, they are the mainstay of socialist modernization. The vast number of students are patriotic, uphold justice, are enthusiastic, and are sensitive to new things. While these are your strengths, you must also realize your weaknesses: You lack practical and political experiences. Every one of us want to see an acceleration of China's economic construction, but how should we accomplish it? First of all, we need political stability and unity. When our society is beset with upheavals, nothing can be accomplished. I hope the vast number of students will seriously reflect over the storm, learn a lesson from it, and keep improving themselves through study. Our students should support the party leadership, firmly adhere to the political orientation of our socialist system, correctly understand the situation of our country, understand the development of the Chinese revolution—especially the modern history of China since the Opium War—heighten their self-respect and self-confidence, learn humbly from the vast number of workers and peasants, temper themselves through integrating theory with practice, and combat the weaknesses of easily becoming arrogant when successful and easily becoming discouraged by frustrations.

Beijing Radio Report

OW2608145689 Beijing Domestic Service in Mandarin 0930 GMT 26 Aug 89

[From the "National Hookup" program]

[Text] At a discussion meeting with teachers and students from Qinghua University, Jiang Zemin, general secretary of the CPC Central Committee, expressed the hope that the broad masses of young students would, through study, enhance their understanding, discard worries, and free themselves from encumbrances. Young students, he pointed out, represent the future and hope of our country, and they should brace themselves, study hard, and prepare themselves to serve the motherland still better in the future.

Yesterday afternoon, General Secretary Jiang Zemin came to Qinghua University to call on the teachers, students, administrative personnel, and workers of the university along with other leading comrades, including Li Tieying, member of the Political Bureau of the CPC Central Committee, state councillor, and minister in charge of the State Education Commission; Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing Municipal CPC Committee; and Chen Xitong, state councillor and mayor of Beijing Municipality. They held a nearly 4-hour discussion meeting with some teachers and students.

The discussion meeting was presided over by (Fang Huijuan), secretary of the party committee of Qinghua University. Fifteen teachers and students spoke one after another at the meeting.

Addressing the meeting, Comrade Jiang Zemin said: It has been almost 40 years since New China was founded. The occurrence of such a big turmoil and counterrevolutionary rebellion in Beijing is something worth our serious thought. To every comrade, this storm has presented a question of self-education and self-improvement.

He said: Young students are filled with enthusiasm, the sense of justice, and patriotic feeling. We should fully affirm this. But they lack experience and are not sufficiently mature. Politically, they often behave in a naive way. We should not only be highly enthusiastic toward young students, but should also put strict demands on them.

Jiang Zemin hoped they would think in the following ways: It is necessary to unswervingly uphold the four cardinal principles, always firmly bear in mind that they should rely wholeheartedly on the working class, and at all times be vigilant against and resist the corrosion by bourgeois ideas. He added: The past few years have seen the weakening of party leadership and relaxation of the political and ideological work. As a result, bourgeois ideas have flowed freely among some young people. This is worth our serious reflection.

In addition, Comrade Jiang Zemin reiterated during the discussions that there will be no change in the party's policy in dealing with intellectuals. He said: Modern socialist construction cannot be separated from science, technology, and education; nor can it be divorced from intellectuals. We have an excellent contingent of intellectuals, the overwhelming majority of whomn are self-conscious and willing to serve the needs of the motherland's socialist construction. However, young intellectuals have their own weaknesses. They are not so firm politically. They are apt to be arrogant when things are going well, and become disappointed when meeting with setbacks.

After analyzing the several generations of intellectuals in New China, Jiang Zemin pointed out that the broad masses of intellectuals and young students can play a still better role only when they integrate with workers, peasants, and soldiers, with practice, and when they continue to make more efforts to temper their minds and keep to the correct political orientation.

Speeches were made by teachers and students of Qinghua University. They were (Jiang Feng), (Zhu Dequan), (Li Luming), (Han Xin), (Wu Jianping), (Li Dongzhou), (Luo Bendong), (Li Bing), (Ju Yiguang), (Li Yuxin), (Hao Jimin), (Li Jun), (Miao Shuke), (Fang Fang), and (Li Yingchun). Some made a serious review of their performance in the turmoil. Others offered opinions and suggestions to the party Central Committee on such questions as how to strengthen party building, party leadership, and political and ideological work.

The discussion meeting was characterized by harmonious feelings and was permeated with a warm atmosphere. While listening to the speeches, Comrade Jiang Zemin took notes and occasionally interposed to raise questions to the teachers and students.

Comrade Jiang Zemin said: The key factor determining whether China can succeed in its socialist modernization program is whether there is a political situation of stability and unity. He hoped that, in the future, schools will strengthen the education in our national conditions, national integrity, and national dignity so as to raise the quality of the whole nation and achieve success in building our country.

Comrades Li Ximing and Li Tieying also addressed the discussion meeting.

Prior to the discussion meeting. Jiang Zeming and the other central leading comrades went to the machinery workshop of the school-run factory to see the foremen and students undergoing practical training in metal technology. They also saw a model showing a planned overall layout of Qinghua University.

Activist Chai Ling Reportedly Arrested

HK2708020889 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 27 Aug 89 p 1

[Text] Hong Kong television station TVB last night reported that Chai Ling, a top leader of China's crushed democracy movement had been arrested in Beijing.

Early evening news bulletins on the station said that a public security officer arrested the 25-year-old graduate student two weeks ago. The source of the information was not given.

The former Beijing Normal University psychology student was a leading organiser of the pro-democracy movement and participated in a hunger strike aimed at pressuring the authorities into a dialogue.

After the Tiananmen square crackdown, Miss Chai went into hiding and appeared in a videotape made on June 8 in which she gave an eyewitness account of the massacre by the Chinese military. The videotape was telecast exclusively by TVB.

Miss Chai's was the fourth name on a list of 21 mostwanted student leaders released by Beijing's Public Security Bureau on June 13.

Diplomats in Beijing have said they believed Miss Chai escaped to Australia after the military crackdown.

Chinese government spokesman Yuan Mu was quoted on August 17 as saying he had no knowledge of Miss Chai's whereabouts, a statemen: widely interpreted to mean that she had eluded capture.

Mr Yuan confirmed the arrest of another student leader Wang Dan, in the same interview with Tokyo's YOMIURI SHIMBUN newspaper.

- —Senior Chinese officials said yesterday that rebels plotting sabotage were still at large in Beijing and had to be found.
- "There are still some counter-revolutionary rebels who are plotting acts of sabotage," Beijing deputy Communist Party secretary Li Qiyan told a meeting of party officials.
- "It is very important to ferret out the counterrevolutionaries," he was quoted as saying on Beijing television. "This affects the survival of the party and government."

Beijing party leader Li Ximing echoed the remarks, saying that the party should target specific incidents of unrest that led to the army assault in June.

Certain government departments and individuals should also be targeted he told the meeting without elaborating.

China also yesterday renewed a bitter attack on ousted Communist party chief Zhao Ziyang, accusing him of giving too much power to entrepreneurs and trying to pave the way for capitalism.

The Workers Daily said in a front-page commentary—entitled The Objective of Economic Remoulding was to Pave the Road for Capitalism—that Zhao had also blocked a 1987 campaign against bourgeois liberalism from being applied to the economy.

"He (Zhao) overemphasised the role of the entrepreneurs," the newspaper said of the reformist leader.

LIAOWANG Attacks Wuer Kaixi's Role

HK2808013489 Beijing XINHUA Domestic Service in Chinese 1226 GMT 26 Aug 89

["Excerpts" of LIAOWANG article contained in the report: "Weekly LIAOWANG Publishes an Article Entitled 'What Role Is Wuer Kaixi Playing in the United States?"—XINHUA headline]

[Text] Beijing, 26 Aug (XINHUA)—The weekly LIAOWANG will carry a signed article by Wei Gu in its 35th issue, which is to be published today; it is entitled "What Role Is Wuer Kaixi Playing in the United States?" The excerpts of this article are as follows:

Wuer Kaixi, a ringleader of the Beijing College Student Autonomous Federation who confessed that he betrayed and fled the country with the help of the Central Intelligence Agency of the United States, flew from Paris to the United States in late July. He was then greeted there as a "man of the hour" when appearing in various banquets or at big or small meetings to give speeches. He went from Chicago to Washington and paid homage to Capitol Hill. Then he flew from the east coast to the west coast. A small number of politicians in the U.S. Congress and various organizations manipulated by Taiwan, together with the mass media in the United States and Taiwan, lauded him to the skies as a "democracy fighter" and a "national hero."

Wuer Kaixi was indeed pleased with all this and became even more supercilious and more widely arrogant. To pay the debt of gratitude, he was determined to put on more performances in this "free world" by fabricating rumors, hurling insults, and shouting empty slogans. Maybe he thought that this would bring greater fame to him. However, the results of his performances were opposite to what he wished to gain. His stupid performances made more and more Chinese students, local residents of Chinese origin, and the American public see clearly that this political upstart was neither a "fighter"

nor a "hero." Some people who had previously "admired" him began to feel disappointed. Many upright American people, patriotic Overseas Chinese, and even students and scholars from Taiwan admitted in private that "Wuer Kaixi is merely a buffoon who likes to seek the limelight."

A Puppet in the Hands of Western Politicians

Beginning from the day Wuer Kaixi set foot in the United States, he was no longer free, but could only be ordered about by other people. The U.S. Government sent special agents to "protect" his safety, and the "bodyguards" tightly followed him 24 hours a day.

Some reactionary forces in the United States, some people in the North American Affairs Coordination Committee of Taiwan: members of Taiwan's Mainland Student Work Team who pretended to be reporters for the American and Canadian News Center of the LEIN HO PAO Group; various Overseas Chinese organizations manipulated by the Taiwan authorities; and the China Democracy Union, a reactionary organization, carefully arranged the activities for Wuer Kaixi. In the first 2 days after Wuer Kaixi arrived in the United States, they deliberately prevented him from appearing on public occasions, thus creating a mysterious atmosphere. They then allowed Wuer Kaixi to first appear in a special television interview, and SHIHCHIEH JIH-PAO, the mouthpiece of the Taiwan authorities in New York, published an article encouraging him to participate in open activities. They then organized "welcome meetings," "lectures," and "press conferences" one after another for Wuer Kaixi, and even tried by every possible means to persuade the senior officials of the White House and Congress to "receive" Wuer Kaixi and ask them to support the antigovernment activities of Wuer Kaixi and the several other people who betrayed and fled the country for the purpose of sowing discord between China and the United States and sabotaging Sino-U.S. relations.

A small number of politicians in the U.S. Congress were also delighted to see Wuer Kaixi arriving in the United States, believing that it offered them an opportunity to embark on a new adventure. So, some of them showed up to meet Wuer Kaixi, some awarded him "medals," some feted him at their homes, some invited him to have yacht cruises, and so on.... Witnessing all these activities, a senior U.S. reporter who wanted to remain anonymous pointed out sharply: "This young Chinese Wuer Kaixi is nothing but a toy in the congressmen's hands." "These congressmen have always been eager to fish for votes," he said. "They would never hesitate to hug and kiss whatever 'popular figures' regardless of any norm of international relations, their own personality, or their own status, as long as such activities could help them keep their seats in the Congress, which means fame and benefits to them.'

Wuer Kaixi's Meeting With the Kuomingtang's [KMT] Men Was Not a Coincidence

It is said that Wuer Kaixi arrived in Chicago from Paris on the evening of 25 July to attend a so-called "All-America Chinese Students and Scholars Congress" to be held there. However, as soon as he alighted from the plane, he rushed to a "doctor" 's home to meet with Cheng Hsin-hsiung, director of the KMT Overseas Work Office, leaving behind him those Chinese students who had been waiting at the airport to "welcome" him. That "doctor" was Wu Ying-yi, chairman of the Chicago Taiwan Compatriots' Association, one of the founders of the so-called "American Chinese Committee for Supporting the Mainland China Democratic Movement."

The news about the meeting between Wuer Kaixi and Cheng Hsin-hsiung soon spread among Chinese student organizations and students from Mainland China in the United States. It aroused strong reaction. Knowing that the situation was unfavorable, the KMT secret agents told Wu Ying-yi to give some advice to Wuer Kaixi and help extricate him from the dilemma. Wu said: "To dispel unnecessary misunderstanding, Wuer Kaixi had better step forward to make an explanation." Wuer Kaixi also got nervous, being afraid that the secret meeting, if exposed, would spoil his image as a "hero," so he phoned the responsible people of various Chinese students organizations in the United States in a hurry before the night was out, arguing that he "knew nothing about the arrangement before meeting those men."

But no excuse can cover up the "meeting" as a fact. As everybody knows, the reason why Cheng Hsin-Hsiung chose to rush to the United States from Taiwan precisely on the eve of the Chinese students' Chicago congress, as the Taiwan-funded New York-based SHIH PAO CHOU KAN [Times Weekly] put it, was to convince the Chinese students that Taiwan would support their "democratic movement."

Ignorant and Presumptuous

Amid cheers, Wuer Kaixi has emerged as a "political superstar." He has posed as a student "leader" here and there, presenting himself as humbly in "the backdrop of 1989" again and again on many public occasions. A report by the New York-based Chinese newspaper SHIH CHIEH JIH PAO [WORLD DAILY] said: Wuer Kaixi "said with full self-confidence that he was qualified to take up important leading posts, as he had sound theoretical knowledge, rich experience in the democratic movement, and a strong ability to run organizations."

Many Chinese students, especially those from Beijing Teachers' University, knew just too well about Wuer Kaixi's personality, and even some foreigners and Overseas Chinese began to be disgusted with his arrogance. An editorial appearing in GUOZI RIBAO [0948 7139 2480 1032 INTERNATIONAL DAILY], the Los Angeles-based Chinese paper, said: "A Chinese student from Taiwan stated that he was disgusted with Wuer Kaixi's

self-importance and self-consciousness of his position as the self-proclaimed representative of Chinese students studying abroad."

He especially became a laughing stock with his unreasonable attack on Dr Kissinger, the former U.S. secretary of state. Actually, in the recent article by Kissinger published in the U.S. press, he has only advised the U.S. Administration to refrain from adopting further sanctions, in accordance with the international strategic pattern and long-term U.S. interests. When he talked about the Tiananmen incident, Kissinger said: "No government in the world would tolerate the fact that scores of thousands of demonstrators should occupy a major square in its capital for 8 weeks." Wuer Kaixi believed that Kissinger's words were unfavorable to the rumors he had spread at the U.S. Congress and other places, so he began to slander Dr Kissinger by saying that the latter was "shameless," and that what he said was "nonsense" and "bullshit." A visiting scholar at Columbia University said: "I could not have not imagined that Wuer Kaixi's behavior would be so poor; he seems to know nothing but how to affect a high moral tone, shout slogans, and hurl abuses." SHIJIE RIBAO [0013 3954 2480 1032 THE WORLD] has been very much anxious about Wuer Kaixi's inferior performance. and expressed some disappointment. In a critical tone, it said: To be successful in lobbying in the United States, one "should refrain from sharp words and slogans," but should "prepare, with painstaking care and effort, concrete and honest speeches that coincide with the Western concept of values." Wuer Kaixi has recently expressed that he wishes to "visit" Taiwan. Perhaps with some training there, he might succeed in meeting the requirements of SHIJIE RIBAO.

RENMIN RIBAO Views Attitudes on Turmoil

HK2508130089 Beijing RENMIN RIBAO in Chinese 19 Aug 89 p 5

[Article by Zong Yuan (1350 0337): "Talking About Stand After the Turmoil—a Sincere Talk With University Students at the Beginning of the New Semester"]

[Text] In recent years, alongside the flood of bourgeois liberalization thought, has been the disappearance of the word "stand." Whenever someone mentioned this word, he was always criticized for reciting conservative "old rhetoric," or being "Mr Left" or "Mrs Ma" (Mrs Marxism, the old lady). The influence of this was that many young students wanted to be useful persons but did not have the orientation; they did not know that in the course of becoming useful they have to solve a problem: namely "stand". But the sudden storm of the student movement, the turmoil, and the counterrevolutionary rebellion made it unavoidable for everyone to face inspection and examination regarding this problem. Therefore, a talk on stand after the turmoil is necessary for students to make reflections, and sum up experiences and lessons in a correct way.

The Problem of Stand Is An Objective Existence

What is stand? The explanation offered by the Chinese dictionary CIHAI is: "1. It means foothold, and generally refers to the position from which one makes observation and handles things, and the manner arising from such position. 2. It specifically means class stand; that is, the foothold of a certain class, the reflection of the basic interests and demands of that class, and the basic attitude of struggle for realizing such interests and demands. Different class stands determine people's different class viewpoints, ways of thinking, political attitude, and class sentiment. The basic criterion for deciding a person's class stand is to determine whether his thought, words. and actions are in accordance with the basic interests of a certain class." This means, whether it is generally or specifically meant, and no matter whether you admit it or not, everyone has a certain stand, and the problem of stand is an objective existence, especially in the class struggle.

Looking at the history of class struggle in human society, when people are involved in class struggle, whether they subjectively sense it or not, they all have a certain stand objectively; if they do not stand on this side, they will be on the other side. This is the basic knowledge of Marxism. The political turmoil and counterrevolutionary rebellion in Beijing stirred up by a small handful of people utilizing the student movement was an acute class struggle under the conditions of socialism. One of the two parties involved in the struggle included certain antagonistic forces from the West, Hong Kong, and Taiwan; people inside and outside the party who insisted on bourgeois liberalization and political conspiracy; the leaders of illegal organizations such as "Beijing College Students Autonomous Federation" and "Beijing Workers Autonomous Federation;" the ambitious "upstart" who requited kindness with enmity; and gangsters who committed every kind of crime and never changed in spite of education. They formed the factual counterrevolutionary "holy alliance" for the evil purpose of overthrowing CPC leadership and subverting the socialist PRC. Although they changed their strategies and means, their reactionary stand never changed. The other party involved in the struggle included the great masses of workers, peasants, commanders of the People's Liberation Army [PLA], and a huge and just army comprised of a great majority of intellectuals and young students. They stood on the side of the party and the government, opposed bourgeois liberalization, turmoil, and rebellion, and resolutely safeguarded the CPC leadership and the socialist PRC. In the whole process of struggle, even though there were many conflicts and complicated situations, the line between these two fronts was always clear, and the two stands opposed each other. Regarding this explicit objective existence, some students, who never before had the concept of "stand," or who did not want to hear the word "stand," now begin to recognize the word.

Then, for many students who took part in the student movement out of sincere wishes, what was their stand in

the struggle? No simple nor general answers should be offered, but concrete analyses should be made according to their different performances and changes during the struggle. It should be assured that at the early stage of the student movement, many students indeed possessed the sincere wish of opposing corruption and "official profiteering," and of demanding the promotion of the democratic process, and this was identical with what was advocated by the party and the government. However, since the student movement was controlled and utilized by an extremely small handful of people from the very beginning, it acquired the nature of being a political movement; therefore the development of the event turned necessarily into the opposite of their sincere wishes, and this is the objective rule of class struggle which cannot be changed by people's will. Regarding this point, many innocent students who lacked political experience could not recognize it at that moment. Therefore, judging from the overall situation, at the early stage of the student movement, their stand was in a blind and wavering shape; subjectively they had sincere wishes, but objectively they were utilized by others, and their motive did not conform to the outcome. When the situation deteriorated and the struggle intensified, their stand quickly split up. Some students learned the lesson from the real struggle, accepted the advice from their teachers, relatives and friends, cooled down during the craze, began to see the real face of the people who organized the rebellion, and felt the danger of involuntary involvement; they then returned from their dissolute ways and took up the stand of the party and people in opposing unrest and rebellion. Some other students progressed from "following the feeling" to "following the rumors," took "Voice of America" as their "real friend," and participated in certain activities of unrest and rebellion when being deceived by the turmoil organizers; their stand at that moment could be viewed as that of the opposing force. Among this group of students, some were influenced more than others by bourgeois liberalization thought and did not have a good performance even in usual times; it was not suprising to see that they went the wrong way. There were also some students who indeed had a good performance in every aspect at the usual time, but this time they were dragged far away by others, and this was regrettable. The harsh fact once again told us that in a solemn political struggle, it is easy to be cheated and make mistakes if one has no stand or orientation but only sincere wishes. Lenin cited a common saying in his short article published in 1913: "A sincere wish often leads people to hell." ("The Collected Works of Lenin," Vol 19, 1961, p 256) It is hoped that after the turmoil, those students who did not pay attention to stand think about this Russian saying and gain some good enlightenment from it.

The Key to Distinguishing Right From Wrong Lies in Changing Stand

When people have different stands, they will have different views on an event and come to different conclusions. For example, is the recent storm a planned political movement or a so-called self-initiated "patriotic

democratic movement?" Did the PLA quell a counterrevolutionary rebellion or "suppress a student movement?" These two totally contradictory views reflect two basically opposing stands. And for example, at the beginning, some students disliked the social garbage and feared that they might mingle with them to cause trouble, but at the end they saw them as their "battle companions" and together they became an integrated group engaging in some dirty activities. The difference of stand they held at the beginning and at the end precisely reflect the change of stand. Then, are the above-mentioned two different views just an illustration of a problem of "the grandfather-in-law says he is right while the grandmother-in-law also says she is right?" Regarding these two different stands, which is the right one and which is wrong? There is only one criterion for judgment: It must be judged whether it conforms to the practical situation and represents the interests of the great masses of the people. Because different stands lead to different views of what is right and wrong, in order to distinguish right from wrong it is necessary to switch stand. Therefore, for many students, they should do the following three tasks now:

First, they must seriously study the documents of the 4th Plenary Session of the 13th CPC Central Committee, and the important speeches made by comrade Deng Xiaoping when he received cadres at or above army level of the martial law enforcement force in Beijing; and read with a cool mind the fact-revealing materials published in the newspapers and journals. These documents and materials pointed to the facts and offered reasons, as well as explaining clearly the seriousness of the struggle and of the necessity for the party and government to adopt measures to stop the turmoil and quell the counterrevolutionary rebellion. So long as they can seriously study these materials and documents, think them over in a cool manner, and make analyses in an objective and just way, they can easily distinguish right from wrong, and some ideological "knots" can be untied without difficulty. For example, after carefully studying the relevant materials, some comrades drew up a timetable, which indicated that the storm was really "turmoil first, then the 26 April RENMIN RIBAO editorial; upgraded unrest first, then the enforcement of martial law; and counterrevolutionary rebellion first, then the forced measures of quelling rebellion." It clarified the "causality theory" which took effect as cause and vice versa, and accused the party and government of allowing the event to deteriorate. It improved understanding for oneself and enlightened other comrades. This is a correct attitude which respects facts and scientific analyses. Recently, through a preliminary study of the documents, many students in graduating classes in colleges who had been cheated improved their understanding to different degrees; their sentiment and stand changed somewhat and they basically recognized what was right and what was wrong. However, it must also be noticed that some students who were deeply victimized still stick to their original and wrong stand; they face the study with a very strong "rebellious psychology," and are unwilling to

listen to the documents handed down, or to read the relevant materials, or else reluctantly read and listen to the documents and materials which they do not believe anyway, and continue to distort facts and decide what is right and wrong from their own subjective guess and prejudice. But "prejudice is farther from truth than ignorance." If this stand is not changed, there is no common language, and then it is not possible to talk about distinguishing right from wrong.

Second, those students who made mistakes must honestly confess their behavior during the turmoil to the party organizations; in particular, those "informed persons" should actively take the initiative to reveal the internal secrecy of illegal organizations. Whether one can do this is a practical inspection of whether one has changed his stand, and it is no doubt also a test. The party and government repeatedly stressed the need to seriously distinguish two conflicts of a different nature. For the absolute majority of students who were involved in the storm, even if they once chose the wrong stand, it was mainly a problem of education. Our party has always held that it permits young people to make mistakes and correct mistakes, which include the mistake of choosing the wrong stand. Confessing one's mistakes to the party is precisely the mark of making a determined correction. This cannot be viewed as a kind of excessive demand. If someone has done or said something wrong but is unwilling to confess, how is it different from not describing your illness to the doctor? Even if it resembles what was said by some people who viewed this as some kind of "going through a passage," after going through this "passage" one can "get rid of the burden" and "advance with light equipment." Why not?

During the unrest, some students were "little leaders" of certain spheres on some occasions and at some times; they had had contact with some leaders of "Beijing College Students Autonomous Federation" and some "secret persons" who made plans and strategies behind the curtain; they more or less knew some hidden information. These "informed persons" should also actively expose the inside stories, and by doing so they are able to indicate that they are determined to change their stand, correct mistakes, and are willing to draw a line between themselves and the extremely small handful of bad people. But some students did not value this kind of proper action of exposing and reporting others; they mistakenly thought that this was "making a mean report" and was the act of "betraying friends" and a manifestation of "low personality." Moreover, this confused concept is still welcomed by many students. In fact, this is not different from exposing and reporting any bad people and event (like exposing and reporting corruption and bribery), and an the obligation which should be fulfilled by every citizen. This is not "low personality" but a virtue. This is also different in nature from "making a mean report" based on false accusations. And this is itself a problem of right and wrong requiring clarification.

Third, sum up experience and lessons with a proper attitude, which is also an important mark of whether the stand has changed. During the turmoil, due to various subjective and objective reasons, many students lost direction and had more or less radical actions and words; some of them were comparatively serious. The turmoil has now subsided, and many students are making reflections, with two different attitudes.

One of the two attitudes is to be practical. This means that we must seriously analyze the subjective and objective reasons for our mistakes and strictly look into our weaknesses with reference to our actual state of mind, so as to absorb profound experience and clarify the direction in which we advance. If there are some problems we cannot solve, we must raise them, or ask our teachers and try hard to solve them. This is an honest attitude. Another attitude is just the opposite: Someone might say that all his wrong words and actions were the results of objective influences as if he had no weakness other than "kindness;" or he might say something which is not what he believes, and pretend to show his deep "grief" and to be "overall" on the public occasion, as well as put some "big hats" on other people's heads; but he airs his grievances privately and does not admit that he has any mistakes. This is a dishonest attitude which he uses to cheat others as well as himself. Students with this attitude think that they themselves are "clever," but in reality they hurt themselves, and make new mistakes. These two different attitudes lead to two different consequences. The former will wake people up and invigorate them, as described by the famous German poet Goethe: "The relation between mistake and truth is like the relation between dream and consciousness: when someone recognizes his mistake, he will advance toward truth with new strength." The latter can only make people insensitive and depressed, so they wander farther along the wrong path.

Stand Is An Important Choice in Life

Regarding the nature of the storm, Comrade Deng Xiaoping offered a profound summary: "It is bourgeois liberalization opposing the four cardinal principles." At present, the storm has subsided, but the opposition will exist for a long time and will accompany the whole process of reform, opening up, and socialist modernization construction. Therefore, every contemporary college student cannot avoid making a choice when faced with the opposition: Should I take the stand of upholding the four cardinal principles? Should I take the stand of bourgeois liberalization? This is an important choice which has a determining significance on life.

Upholding the socialist way, people's democratic dictatorship, leadership of the Communist Party, Marxism, Leninism, and Mao Zedong Thought are the determined choices made by all the nationalities in the country, after going through long and arduous revolutionary struggles and paying a huge price. For the great masses of people in the country, upholding the four cardinal principles is a generally accepted truth; it has been solemnly written

into the country's Constitution and has become a law which should be obeyed by every citizen of the Republic. Contemporary students, as citizens possessing a higher level of culture, should naturally stand on the side of upholding the four cardinal principles. This is right and proper, without doubt.

However, in recent years, owing to the serious flood of bourgeois liberalization thought, great ideological confusion was formed among young students. Many students did not understand the country's situation, history, nor the objective rule of social development. They saw the four cardinal principles as abstract doctrines or even as "rigid concepts;" the "modern" fallacy of bourgeois liberaliza-tion advocated by people like Fang Lizhi negated the four cardinal principles as "truth," with the result that white is taken for black, and good for bad; they lost the power they should at least have for distinguishing right from wrong. This is an important internal reason why many students were involved in the storm, took the wrong stand, and lost direction. It has been a long time since the founding of the socialist People's Republic of China, but for the new generation of college students, we cannot but renew education on why we need the leadership of the CPC and why we must advance along the socialist road; that is, the "enlightening" education which resembles common sense, and it is regrettable.

The just subsided storm brought disaster on the country, but also stripped the troublemakers of their disguise and revealed their real faces in front of the people. At present, representatives of bourgeois liberalization such as Fang Lizhi and Yan Jiagi have already openly thrown themselves into the arms of the "foreign VIP's," and completely exposed their traitorous features; their various deceptive and absurd theories have also collapsed. Perhaps at this moment, those sincere people who did not know the truth or could not tell the right from wrong can really perceive the harmful nature of bourgeois liberalization. The lesson of blood tells us that in China, if we carry on with bourgeois liberalization and abandon the four cardinal principles, the result will be the degradation of our great country once again to the status of a dependent of Western capitalist powers and a modern colony. The Chinese people who have stood up cannot once again depend on others' pleasure and become inferior citizens whom everyone looks down upon. The endeavor to unify the country, unite different nationalities, invigorate the nation, and bring happiness to the people will come to naught, and history will slip back many years. Students, please think it over; if we take the stand of bourgeois liberalization, and tie the country's fate and our fate with bourgeois liberalization, what tragic fate would that be? And how could we talk about individual aspirations or the future?

Perhaps some students will say, my stand is to oppose corruption and "official profiteering;" whoever opposes these things I will stand on his side. Then, may I ask: Will the people who advocate bourgeois liberalization, oppose corruption and "official profiteering?" Wang Dan's words "opposing official profiteering is a small

business" are illustrative! In fact, speaking from the source of ideology, the rampant "official profiteering" and corruption in recent years were precisely the result of the fact that the four cardinal principles had not been carried through, and bourgeois liberalization thought flooded all over. Perhaps we all remember that a few years ago a famous theorist explicitly declared that he agreed with the slogan "money is everything." If "money" is the goal of doing "everything," then so long as "money" is "seen," whatever evil businesses, such as gambling, prostitution, theft, robbery, drug selling, smuggling, "official profiteering," and private profiteering, can be done. Here we can see that the five characters of "money is everything" really include the motive for the behavior of corruption and "official profiteering" and provide this behavior with legitimacy. Students, please think it over. If our country is to implement "complete Westernization" as advocated by the representatives of bourgeois liberalization, and run a capitalist private system, relations between people will become bare relations of money, and "money is everything" will become the legalized moral standard; by then the evil phenomena of corruption and "official profiteering" will fill every corner of society. Regarding this point, a history of the development of capitalism has already proven it. Therefore, to realize the sincere wishes of opposing corruption and "official profiteering," it is also necessary to take the stand of upholding the four cardinal principles under the leadership of the party and government. Also, through stepping up ideological and political work and socialist spiritual civilization construction to build a new economic order and mechanism. and to perfect various rules and regulations. Also, through stepping up construction of democracy and the legal system, to bring the function of supervision by the masses and that of public opinions into full play, so as to carry out comprehensive rectification, and to solve problems step by step. At present, the party's recent fourth plenary session decided to grasp anticorruption, anti-"official profiteering," and building clean government as the important tasks. We should believe that with support from the people, the party and government are determined and have the ability to do the job well.

In late 1886, Engels wrote in his letter "To Florence Kelley-Wischnewetzky," that "there is no better road to theoretical clearness of comprehension than to learn by one's own mistakes, 'durch Schaden klug werden." (Marx and Engels "Selected Correspondence," 1962, p 440) It is hoped that students will, by reflecting on the storm, learn some basic theories of Marxism diligently and profoundly understand the necessity of upholding the four cardinal principles and the danger of bourgeois liberalization, and grasp and use the stand, viewpoint, and method of Marxism to understand the world and change it. By doing this, they are worthy of the party's and people's expectation and education! It is hoped that students will seriously think this over.

Article Reviews Zhao's 'Erroneous Guidance'

OW2608005789 Beijing Domestic Service in Mandarin 2130 GMT 25 Aug 89

[From the "News and Press Review" program]

[Text] The 26 August issue of GONGREN RIBAO publishes on its front page an article by (Niu Shi) which discusses Comrade Zhao Ziyang's erroneous guidance on ideological and political work among workers and staff members.

The article says: Over the past few years, Comrade Zhao Ziyang deviated from the CPC Central Committee's correct direction of reform, and called for remolding the ideological and political work among workers and staff members. He suggested that factories be managed by capable persons, or elitists. As a result, the broad masses of workers and staff members became a passive force and were even regarded as obstacles to reform. Some people seized the opportunity to publicize self-realization [zi wo shi xian] and immortality of capitalism, thus causing great confusion.

We should work seriously to eliminate and earnestly rectify such confusion by upholding the correct direction in the ideological and political work among workers and staff members.

Li Ruihuan Discusses Propaganda in Shanxi Speech

OW2408050389 Beijing XINHUA Domestic Service in Chinese 1401 GMT 18 Apr 89

[By XINHUA reporter Hui Jinyi and SHANXI RIBAO reporter Wang Jianrong]

[Text] Taiyuan, 18 Sep (XINHUA)—During his recent tour of Shanxi, Li Ruihuan, member of the Standing Committee of the CPC Central Committee Political Bureau, carried out surveys and studies on propaganda for National Day celebrations, rectification of the cultural market, and ideological and political work in enterprises. He noted: Since the 4th Plenary Session of the 13th CPC Central Committee, the new leading core of the CPC Central Committee has stressed that we must look deep into realities, adopt a realistic approach, earnestly implement decisions taken, and resolutely ensure their success. On the basis of this spirit, I have come to Shanxi to find out how the "Circular of the CPC Central Committee on Strengthening Propaganda and Ideological Work" has been implemented.

During his sojourn in Shanxi from 11 to 18 August, Li Ruihuan listened to reports by the provincial party committee on propaganda and ideological work, and held discussions with theorists, artists, journalists, publishers, and people in charge of ideological and political work in enterprises. In the company of Li Ligong, secretary of the Shanxi Provincial CPC Committee, Li Ruihuan also visited mines and worksites in Taiyuan and Datong to find out workers' thoughts, work, and livelihood.

During discussions on propaganda for celebrating the 40th National Day, Li Ruihuan said: We must accord full publicity to the great achievements of the past 40 years, in particular, those during the 10 years of reform and opening to the outside world. Everywhere I went in Shanxi, I could see the profound changes which have occurred in cities and the countryside. I must point out that, as China's energy base, the amount of coal produced in Shanxi and transported for use in other parts of the country comprises 78 percent of the national total of coal consumed outside producing provinces. The people of Shanxi have worked very hard in this respect, and have contributed greatly to the stability and development of the national economy. The people of Shanxi should be proud of this. We must publicize the strategic position of Shanxi and the contribution made by its people in China's modernization drive. Of course, during the process of development, Shanxi also has the support of the whole nation. Li Ruihuan hoped that all localities would publicize the achievements of socialist development by linking them with realities in their own localities and using irrefutable facts.

Li Ruihuan said: Ever since the national conference of propaganda department directors, all localities have begun to unfold their drive to rectify the cultural market. The key at present is to strengthen leadership. The flood of obscene publications is the result of the spread of bourgeois liberalism. This, in turn, helps fuel the spread of bourgeois liberalism, and has become the root cause of crime among young people. Getting rid of this kind of spiritual opium will bring immense satisfaction to the people. We must not rely only on one or two departments to accomplish this task. He fully affirmed the attention accorded by the Shanxi provincial leadership and the coordination, determination, and observance of policies shown by all quarters in this matter. Li Ruihuan stressed: While being resolute in eliminating reactionary and obscene publications, as well as video and audio materials, we must enliven the people's cultural life and help literary and artistic creation thrive. In this way, we can provide the people with more progressive, healthy, and encouraging mental nourishment. It is impossible to rectify the cultural market, solve the problem, and consolidate the successes of rectification if we fail to pay attention to acting within the bounds of policies and replacing messy things with good ones.

In an unconstrained atmosphere, Li Ruihuan and party and government leading cadres of some enterprises in Datong City and Yanbei Prefecture discussed ways to strengthen and improve ideological and political work. He said: The emphasis of the study on reforming China's urban economic structure should be placed on enterprises, and we should fully arouse the enthusiasm of the vast numbers of office staff and workers. Office staff and workers are the master of our enterprises, but not the laborers hired by enterprises. This is the basic difference between socialist and capitalist enterprises. Our enterprises not only should turn out products and improve economic efficiency, but also train specialized people

and cultivate well-educated and self-disciplined workers with lofty ideals and good moral sense. In the preceding stage, under the influence of Zhao Ziyang's mistake of weakening and abolishing ideological and political work, everyone put money above everything else, and work in enhancing workers' political consciousness was neglected. Now, the purpose of stressing the need to strengthen ideological and political work is to correct this deviation. We should organize the vast numbers of office staff and workers to make an in-depth study of the guidelines set by the fourth plenary session and unify their thinking. We should conduct education in the party's basic line of "one central task and two basic points" by taking into consideration the actual situation, especially development and changes in individual localities and units.

Li Ruihuan pointed out: Party organizations of enterprises are the core of political leadership of enterprises. Their central task is to exercise leadership over ideological and political work. However, this does not mean in the slightest ser se that factory managers no longer need to pay attention to ideological and political work. The system of holding factory managers responsible for the entire operation of their factories should continue. Factory managers and administrative cadres should ensure good ideological and political work while paying attention to production and sales. Currently, enterprises have a heavy responsibility in accomplishing the three tasks. focusing on economic work in the second half of this year, set by Comrade Li Peng at the State Council's recent plenary meeting. Party and government leaders of enterprises should take the overall situation into consideration, and work actively and closely with one another in order to make contributions to overcoming current economic difficulties.

More Reportage on Cultural Market Conference

Li Ruihuan, Li Tieying Speak

OW2608150589 Beijing Domestic Service in Mandarin 0930 GMT 26 Aug 89

[From the "National Hookup" program]

[Text] At Zhongnanhai's Huairentang this morning, Li Ruihuan, member of the Standing Committee of the Political Bureau of the CPC Central Committee and member of the CPC Central Committee Secretariat, and Li Tieying, member of the Political Bureau of the CPC Central Committee and state councillor, held a meeting with some representatives to the national conference on consolidating and cleaning up the cultural market to discuss the questions of consolidating and cleaning up the cultural market and invigorating culture, literature, and art.

Li Ruinuan said: Culture, literature, and art are components of the people's livelihood. As production develops and the standards of material life improve, people who have become rich will turn their eyes to culture and

entertainment. They will require a richer and more colorful cultural life. We have stressed wholeheartedly serving the people in order to improve their livelihood, which includes material and cultural life.

He said: The cultural circles have a heavy burden to bear. Since the 3d Plenary Session of the 11th CPC Central Committee, cultural and literature and art circles have scored marked achievements indeed. However, affected by bourgeois liberalization, the questions are also very serious. Comrades in the literature and art circles should bravely and squarely face the problems and refrain from shielding their shortcomings. Now is the best time to invigorate literature and art. We should persist in carrying out a protracted struggle against bourgeois liberalization and seriously attend to the antipornography campaign as an important matter. However, we should guard against indifference in this campaign. We should unite all the comrades in the literature and art circles to invigorate literary and artistic creation, and should dominate the cultural sphere with lively things which the people like to watch and hear, so that a hundred flowers will blossom in the field of literature and art, thus showing signs of great vitality.

Comrade Li Tieying said: Party committees and governments at all levels should attach importance to cultural, literary, and artistic work. They should oppose and ban the spiritual narcotics that violate the four cardinal principles and demoralize the people, and wipe out vulgar cultural dregs and garbage. They should actively carry out literary and artistic critiques, and vigorously encourage and support literary and artistic works which lift the national spirit and which inspire the people to make improvements, thereby raising the cultural quality of the Chinese nation and invigorating socialist literature and art. We should integrate economic results with the social benefits [she hui xiao yi] of literature and art while giving priority to social benefits. It is a prolonged task to manage the cultural market well. We should pay attention to providing good policy guidance while tightening control according to the law.

Wang Zhen Addresses Land Reclamation Educators

OW2708032689 Beijing Domestic Service in Mandarin 2130 GMT 26 Aug 89

[From the "News and Press Review" program]

[Text] According to a XINHUA report, Vice President Wang Zhen met at the Great Hall of the People on the morning of 26 August with representatives to a national meeting to commend advanced educators in the Land Reclamation Department. He said: While carrying out the work of education, we must put moral education above anything else and strive to teach noble ideals, moral integrity, general knowledge, and a sense of discipline to a new generation of people.

Wang Zhen said: We have scored remarkable achievements in the field of education over the past 4 decades, especially in the last 10 years. However, quite a few

problems do exist. In the face of the rampant ideological trend of bourgeois liberalization in recent years, we failed to implement earnestly the correct policy on education, which was formulated by the party Central Committee at the time of Comrade Mao Zedong: the integration of education with the reality in production and labor. As a result, we did not attach primary importance to moral education, and the policy of developing moral, intellectual, and physical education in an allaround manner was not carried out effectively. From now on, we therefore must resolutely implement the party's principle on education in training successors to the cause of communism so as to shatter the bourgeois prophets' dream of placing the hope of peaceful evolution on the third and fourth generations of Chinese people.

Wang Zhen continued: Working together with the troops under extreme hardships in opening up wastelands and defending the frontier, the large number of intellectuals on the land reclamation front have performed meritorious service in developing wastelands and promoting education on the frontier. Many prominent scientists, experts, men of letters, poets, and artists in China also went deep into re lamation areas to experience the real life and to immerse themselves among the masses of workers and peasants. They too have contributed greatly to the undertaking of land reclamation. They are the outstanding representatives of Chinese intellectuals. The tiny handful of the so-called elitist advocates of bourgeois liberalization are the scums of Chinese intellectuals. Under no circumstances should they be allowed to poison the minds of the broad masses of people, and young people in particular.

Wang Zhen urged the large number of educators on the land reclamation front to display the revolutionary spirit of hard struggle and to dedicate themselves to developing the frontier so as to invigorate the socialist undertaking of land reclamation.

Circular Urges Criminals to Surrender

OW2308234789 Beijing XINHUA Domestic Service in Chinese 1404 GMT 19 Aug

[Text] Beijing, 19 Aug (XINHUA)—The Circular of the Ministry of Supervision on State Administrative Personnel Who Committed Deeds of Corruption and Bribery Must Take the Initiative To Confess and Give Themselves Up Within the Deadline (publication date: 19 August 1989).

Strictly and earnestly investigate and deal with acts of corruption, and the taking and giving of bribes are important tasks set at the 4th Plenary Session of the 13th CPC Central Committee for the current crackdown on corruption. Supervisory organs at all levels should, according to arrangements by the CPC Central Committee and the State Council, concentrate efforts on investigating and dealing with cases of corruption, and the taking and giving of bribes involving state administrative personnel. Whichever units and personnel are

involved in corruption must be severely dealt with and receive no mercy in strict accord with the "Provisional Regulations on Giving Administrative Punishment to State Administrative Personnel Involved in Corruption and Bribery" and stipulations of relevant laws and regulations. In order to give those state administrative personnel who have committed acts of corruption and giving and taking bribes an opportunity to recognize and correct their mistakes, and to severely punish those who refuse to repent, we hereby publish the following circular, approved by the State Council, in accordance with the guideline of the Plenary Session of the Political Bureau of the CPC Central Committee, held from 27 through 28 July 1989, and with stipulations of the relevant laws and regulations:

- 1. Those state administrative organ and leading personnel in enterprises appointed by state administrative organs who committed acts of corruption, and accepting and giving bribes; those competent personnel in state administrative organs who hold direct responsibility for such acts, and other personnel, to win lenient treatment, should, from the date of publication of this circular until 31 October 1989, take the initiative in confessing the corruption and bribery bribes to supervision organs, their own units, or other relevant departments.
- 2. Within the stipulated period, those who take the initiative in confessing corruption and bribery; promptly return bribe money; or render meritorious service by reporting corruption, will be given lenient treatment according to the stipulation of Article 12 of the "Provisional Regulations on Giving Administrative Punishment to State Administrative Personnel Involved in Corruption and Bribery." According to the "Circular on the Deadline for Criminals Who Committed the Crimes of Corruption, Bribery, and Speculation To Confess Their Crimes," published by the Supreme People's Court and the Supreme People's Procuratorate, those who committed the crimes of corruption and bribery may be exempted from punishment and not be prosecuted if they confess their crimes within the stipulated period; those who should be punished and dismissed from their jobs may not be dismissed; those who should be punished and dismissed from their jobs and given additional punishment (including dismissal) because of acts of corruption, taking and giving bribes, may be given lighter punishment; those who should be punished and given lighter than demotional punishment (including demotion) because of acts of corruption, taking and giving bribes, may be given still lighter, or be exempted from, punishment.
- 3. Those who, within the set period, refuse to confess their deeds, or go into hiding to avoid being investigated; who destroy or forge evidence, keep in their possession, or divert, money and goods illegally obtained; collude with each other and strike a pact to shield each other; avenge themselves on informers, witnesses, or those who handle their cases; or use their position and authority to obstruct or sabotage investigation, will be given severe

administrative sanctions in accordance with the "Tentative Regulations on Administrative Sanction Against State Administrative Personnel Committing Graft and Bribery." Those whose deeds constitute a crime will be immediately sent to judicial agencies to receive severe punishment.

- 4. State administrative personnel who shield graft and bribery deeds will be penalized with a major demerit on their personal files up to expellation from public service by the departments they work for or supervisory agencies based on the seriousness of their case. Those whose deeds constitute crime will be immediately sent to judicial agencies to receive severe punishment.
- 5. Those who know about the graft and bribery deeds committed by state administrative agencies and their personnel and by the leading personnel of enterprises and institutions who were appointed by state administrative agencies, are obliged to inform on, and expose, them to supervisory agencies and relevant departments. Informers will be protected and commended or awarded for their meritorious service.

State administrative personnel who fabricate stories to frame others, yet whose actions do not constitute crime, will be penalized with a major demerit on their personal files up to expellation from public service by the departments they work for or supervisory agencies.

6. With the release of this circular, those who are under investigation by administrative or supervisory agencies at all levels for involvement in graft and bribery cases, and who are willing to make an honest confession and actively return money and goods obtained illegally or expose others involved, will come under Article Two of this circular.

Pertinent articles of the "Tentative Regulations on Administrative Sanction Against State Administrative Personnel Committing Graft and Bribery" are hereby appended as follows:

Article Three—State administrative personnel who commit graft, embezzlement, or bribery, are penalized by people's courts, and are exempted from prosecution or criminal sanction, will be penalized by discharge from their posts up to expellation from public service.

Article Four—State administrative personnel whose profit illegally less than 2,000 yuan will be given the following administrative sanction, based on the amount they obtain and the seriousness of their case:

- a. Those whose illegally obtained profit is less than 500 yuan will be given a reprimand up to demotion.
- b. Those whose illegally obtained profit is more than 500 yuan and less than 1,000 yuan will be penalized with a major demerit on their personal files up to discharge from their post.

c. Those whose illegally obtained profit is more than 1,000 yuan will be penalized with discharge from their post up to expellation from public service.

Those who get caught after getting away with several episodes of graft will be penalized, based on the accumulated amount of their illegally obtained profit.

In the case of two or more people jointly committing graft, each will be penalized separately, based on both the amount they actually get and their individual role in the case.

Article Five—State administrative personnel who, in contacts with foreigners, accept gifts and do not follow state regulations on turning them over to the state, will be penalized in accordance with Article Four of these regulations.

Article Seven—State administrative personnel who accept bribes will be penalized in accordance with Article Four of these regulations, based on both the amount of profit they obtain and the seriousness of their case.

Article Eight—State administrative personnel who, in economic dealings, violate state regulations and pocket kickbacks and handling charges in all sorts of names, will be penalized in accordance with Article Seven of these regulations.

Article Nine—State administrative personnel who, in pursue of illegal profit, give bribes or tip others to bribe, will be penalized with a reprimand up to discharge from their posts, based on both the amount of profit they obtain and the seriousness of their case. Those who cause the state to sustain heavy losses will be penalized with discharge from their post up to expellation from public service.

Nonstate administrative personnel who give bribes to, or tip, state administrative personnel to bribe, will be dealt with in accordance with pertinent laws and regulations.

Article Ten—Those directly in charge of, or directly responsible for, state administrative agencies which bribe in pursuit of illegal profit, give individual kickbacks, or handle charges in violation of state regulations, or work for the interests of others in return for their money and goods, will be given a reprimand up to discharge from their post, based on the seriousness of their case. Those who pocket illegal profit gained through bribery, or money and goods demanded or received from others, will be penalized in accordance with articles nine and seven of these regulations.

Article Eleven—Those who fall under one of the following situations will be punished severely:

a. who bear major responsibility in a joint case of graft;

b who repeatedly commit the same violation and never repent:

- c. who ask for, or accept, bribes in contacts with foreigners;
- d. who commit graft or embezzle funds from disaster relief, emergency, flood prevention, special care to disabled servicemen and to family members of revolutionary martyrs and servicemen, anti-poverty programs, and epidemic prevention;
- e. who cause the state to sustain heavy losses;
- g. who forge or destroy evidence, obstruct others from making confessions, or avenge themselves on informers, complainants, witnesses, or those who handle their cases;
- h. who commit graft, embezzlement, or bribery in addition to other unlawful deeds.

Article Twelve—Those who fall under one of the following situations will be punished leniently, be given a lighter penalty, or be exempted from sanction:

- a. the amount of whose illegally obtained profit is small and whose cases are apparently not serious;
- b. who, on their own initiative, confess their graft, embezzlement, or bribery and return money and goods obtained illegally;
- c. who confess of their own accord after committing bribery and before being discovered;
- d. who expose or inform on other's graft, embezzlement, and bribery deeds and are found to be truthful.

Article Sixteen—State administrative personnel who shield graft and bribery deeds will be given administrative sanction based on the seriousness of their cases.

Commentator Urges Elimination of Pornography

HK2508075589 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 25 Aug 89

[Commentator's article: "An Important Task That Wins Popular Support—Resolutely Set Aright the Order of the Markets for Publications"]

[Text] Yesterday, the party central leadership and the State Council held a national telephone conference, calling on party committees and governments at various levels throughout the country to make further mobilization, strengthen leaders, strictly implement the relevant policies, and carefully organize strength to thoroughly examine and rectify the markets for publications and audio-video products in every corner of the country prior to National Day. This is a concrete step toward upholding the four cardinal principles and opposing bourgeois liberalization in the publishing field by sweeping away all kinds of "mental opium" and "cultural garbage," and is an important task that will win popular support.

In recent years, the markets for publications and audio-video products in our country were seriously out of control. These markets were flooded with a large quantity of publications and audio-video products with illegal and reactionary contents, with seriously incorrect political viewpoints, and with pornographic, violent, and superstitious content. In particular, some pornographic publications have seriously polluted public conduct and poisoned the minds of young people. Some people have even been induced to commit crimes. In view of various soul-stirring facts, school teachers and parents, as well as the masses in all social circles, have been strongly demanding that such "mental opium" and "dirty torrents" must not be allowed to spread everywhere unchecked, and that now is the time to thoroughly eliminate them!

In the current campaign to clean up the markets for publications and audio-video products, we shall ban and confiscate reactionary books which advocate bourgeois liberalization, as well as publications that depict obscene, violent, and superstitious things. In the realm of ideology and culture, some people used to boast that they dared to swear at the Communist Party and socialism, thus gaining their fame. They promoted the sale of their works by bragging about their "courage to make breakthroughs and sing an opposite tune." Through these reactionary works, they deceived, perplexed, misled, and inflamed the masses, and caused ideological confusion and political turmoil. So, these publications must be strictly banned and confiscated. However, the current campaign is focused on eliminating pornography, which is also an important component part of our struggle against bourgeois liberalization. At present, pornographic publications are not only being sold by small bookstalls run by individuals, but are also being printed, distributed, and sold by state-owned publishing houses, printing houses, and bookshops. Some pornographic publications and video products are banned even in some Western countries; still less should they be allowed to appear in socialist China. The chaotic state of the markets for publications in our country must immediately be changed. The sources of pollution must also be ferreted out and eliminated. That is, the publishing houses must also be strictly rectified. Otherwise, our socialist material civilization and spiritual civilization will be seriously impaired.

Cleaning up the markets for publications and audiovideo products is an important political task for the whole party, as well as for the whole society. Party and government leading organs at all levels, especially the propaganda, public security, cultural, broadcasting-film-television, industrial-commercial administrative, publications and mass media, and the customs departments, must join hands in carrying out this struggle, and take coordinated actions to deal with the problems. It is impossible for a certain department or a certain locality to achieve positive results by working alone to deal with those evil things. We must be resolute when taking action. If some people still refuse to stop dealing in those evil things even after being fined and warned, then we

should take more severe legal and disciplinary action against them. We should make full use of various legal weapons to fight a resolute battle against all kinds of lawbreaking activities. In the course of cleaning up the markets, we should also strictly implement the policies and launch attacks accurately against the right targets.

We should also protect and support the healthy and good publications. Our purpose is not to deal blows at the entire publishing industry and all arts. On the contrary, our principle is to make socialist literary and art creations flourish, promote the socialist publishing industry, enrich the people's cultural life, and provide the masses with more progressive, healthy, and inspiring mental nutrition. Along with social progress and the development of our socialist cause, the people will need higher standards of spiritual civilization. Through opposing the decadent and updating the outmoded, our people will enjoy better and more colorful publications.

Media Profile New Beijing University President

ZHONGGUO TONGXUN SHE Article

HK2408113889 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1004 GMT 24 Aug 89

[Profile: "Newly Appointed Beijing University President Wu Shuqing"]

[Text] Beijing, 24 Aug (ZHONGGUO TONGXUN SHE)—Well-known economist Wu Shuqing [0702 2885 7230], who took the Beijing University president's office yesterday, is the seventh president of China's premier university; he steps into the shoes of his predecessors Tang Yongtong, Ma Yinchu, Lu Ping, Zhou Peiyuan, Zhang Longxiang and Ding Shisun.

Wu Shuqing is 56 years old. He became a teacher at China People's University after his graduation in 1955 from a postgraduate school under the same university, and became an assistant professor in 1980. He was appointed deputy chief of the Political Economics Teaching and Research Section under the Political Economics Department in 1982, and became a professor in 1984. Wu was appointed vice president of China People's University in September 1987.

According to his colleagues' briefings, Wu Shuqing is highly cultivated in Marxist political economics, and has participated in compiling many textbooks and published many papers in this field. He is very enthusiastic about socialist economic reform. Academically, he has aired different views on some academic concepts, including privatization, which are mainstream. He believes that the basic concepts in Marxist doctrine should be adhered to, and that exploration in the way of economic reform should be based on China's national conditions.

At a meeting for Beijing University cadres yesterday, Wu Shuqing said that his responsibility is great now that he has been transferred to Beijing University.

HONGKONG STANDARD Reports

HK2608031189 Hong Kong HONGKONG STANDARD in English 26 Aug 89 p 6

["Profile of Rising Star"]

[Text] In a bid to stamp out further campus unrest, Beijing University, the cradle of the recent prodemocracy movement, has been put under the control of a new president known for his conservative style.

Mr Wu Shuqing, 56, who is generally considered close to hardline Premier Li Peng, was previously vice-president of People's University of China.

Emerging from an ordinary teaching post in the Department of Economics to vice-president and eventually the presidency of the highest education institute in China in four years, Mr Wu is seen as a rising star in the education field.

His potential was first noticed by Chinese leaders when one of his signed articles was published in the PEOPLE'S DAILY in 1987, harshly criticising the "stock system", one of the most popular proposals in economic reform.

"His views caught the attention of the then Vice-Premier Li Peng who deemed Mr Wu a person with independent thinking," said a source close to the new university chief.

Impressed by Mr Wu's thinking, Mr Li then arranged a meeting with Mr Wu and Mr Yuan Baohua, the president of People's University of China, and a close relationship was established.

Earlier this month, Mr Wu contributed an article slamming the liberal reformist line of disgraced party chief Zhao Ziyang and the proposal to completely privatise the country's economy.

According to a Beijing University student, Mr Wu was handpicked by the authorities because of his "good performance" and "unswerving support to the government" during the political storm and student movement.

He said Mr Wu was not popular among students of the People's University who viewed him as a conservative academic.

In a telephone interview with The HONGKONG STAN-DARD last night, Mr Wu said he would "follow the spirit of the central government to strengthen the discipline of the university".

He said he was not familiar with the university's situation and thus required time to gain a better understanding before he could work out plans for the future.

Mr Wu replaces Professor Ding Shisun who retires this week. Prof Ding, a non-Communist Party member has been silent throughout the recent student-led prodemocracy movement despite his liberal opinions.

A renowned scholar of mathematics, Prof Ding is popular with teachers and students for his comments and suggestions regarding education reforms.

Symposium on CPC Founder Li Dazhao Opens

OW2408031389 Beijing XINHUA in English 0825 GMT 23 Aug 89

[Text] Beijing, August 23 (XINHUA)—A symposium opened in Beijing Tuesday to mark the 100th anniversary of the birth of Li Dazhao, one of the principal founders of the Chinese Communist Party and a pioneer of the Communist movement in China.

The symposium is co-sponsored by the Propaganda Department of the Beijing municipal party committee, the Society for Research Into Party History and the Society for the Study of Li Dazhao, according to today's "BEIJING DAILY".

Li Ximing, member of the Political Bureau of the Communist Party Central Committee and secretary of the Beijing municipal party committee, spoke at the opening ceremony.

Li Ximing highly praised Li Dazhao and other pioneers of the Communist Party who found Marxism after their predecessors had failed in their attempt to save the old China with the introduction of Western capitalism.

Li said that after 28 years of hard struggle and the sacrifice of millions of lives, China finally became a socialist country under the leadership of the Chinese Communist Party.

He said that history has proved that the Chinese people's choice of socialism led by the Communist Party was historically inevitable and so are the adherence to the Four Cardinal Principles and and policy of reform and opening.

Supervisory Work Forum Outlines New Tasks HK2408140289 Beijing RENMIN RIBAO in Chinese 20 Aug 89 p 2

[Report by Shu Yu (5289 3842): "Forum of Directors of Supervisory Bureaus and Departments of Nine Provinces and Municipalities Held to Make Arrangement for Work in the Latter Half of This Year"]

[Text] Beijing, 19 Aug—The Ministry of Supervision recently held a forum of directors of supervisory bureaus and the departments of Beijing, Tianjin, Shanghai, Shanxi, Shaanxi, Guangdong, and Guizhou to make arrangement for work in the latter half of the year. It was decided to do the following: first, do well in the work of testing cadres and stepping up the building of the ranks of supervisory cadres; second, take an active part in establishing a clean administration system and strengthen supervision; and third, concentrate forces to investigate and handle the major cases of corruption, bribery, and speculation.

The comrades attending the forum reviewed the situation of supervisory work since the beginning of this year. From January to June, the supervisory organs throughout the country accepted and heard 64,584 cases of corruption, bribery, speculation, and abusing power for personal gain; filed 18,316 cases for investigation and prosecution; wound up 15,165 cases; and took disciplinary action against 10,172 people, including 482 county office level cadres, and retrieved a direct economic loss of 103 million yuan.

The forum stated that the current situation of clean administration and fighting corruption is excellent. It is necessary to further step up the work in the latter half of the year and particularly focus attention on cracking large numbers of major cases. The forum urged the leading cadres of the supervisory organs at all levels to personally take part in and properly guide the handling of the cases. The major cases should be reported publicly.

Conference Addresses Women's Legal Rights

OW2408134789 Beijing XINHUA Domestic Service in Chinese 1402 GMT 16 Aug 89

[By reporter Chen Meifeng (7115 5019 7364)—"Local Broadcast News Service"]

[Text] Changchun, 16 Aug (XINHUA)—The National People's Congress [NPC] Internal and Judicial Affairs Committee held a forum in Changchun from 11 - 15 August on enactment of a women's protection law. During the meeting, delegates from Heilongjiang, Jilin, Liaoning, and Inner Mongolia pointed out the necessity of enacting a special women's protection law to ensure the status and legitimate rights and interests of women as stipulated by the PRC Constitution.

The delegates said: The equal rights and interests between men and women stipulated by the Constitution are still far from being ensured. At present, women hold only a very small percentage of important leading and managerial posts in the government. Discrimination against women is becoming worse and worse in schooling and employment. In rural areas, particularly in remote, poor mountainous regions, such malpractices as mercenary marriage, abduction of women, drowning and abandonment of female infants, and visiting prostitutes still have not yet been effectively stopped. These problems remain to be solved through legislative work in the days to come.

The meeting participants also studied and explored the guiding principles, basic scope, and contents of the women's protection law. The delegates pointed out that the proposed law should be based on the Constitution, should consider China's basic national conditions, and should specifically define women's rights and interests. At the same time, it is necessary to set up a special government department and a special NPC committee to form a coordinated implementation and supervision mechanism and seriously take on the responsibility of protecting women's rights and interests.

Commentator Praises Iron and Steel Company

HK2408025589 Beijing RENMIN RIBAO in Chinese 14 Aug 89 p 5

[Commentator's article: "Boldly and Assuredly Carry Out Ideological Education"]

[Text] The Wuhan Iron and Steel Company CPC Committee has boldly and assuredly educated its staff and workers in supporting the party and socialism, and opposed turmoil with a clear-cut stand in the days when the city was threatened by the dark clouds of turmoil. The company's 140,000 staff and workers have firmly supported the central decision, held fast to their production posts, and smashed the evil plot of a very small handful of people to "bring turmoil to Wuhan Iron and Steel Company and the city of Wuhan to shake China." This once again proves that China's industrial workers are the pillars on which the party relies and that ideological and political work is none other than the party's lifeblood.

Educating the Chinese people in adhering to the four cardinal principles, persisting in reform and opening up, and cultivating themselves to be a new generation with lofty ideals, morality, educational background, and discipline is the very theme of the ideological and political work in the new historical period. However, some localities loosened the grip of political and ideological work in recent years and, consequently, bourgeois liberalization ran amok. Some people with a very strong "sense of self" were very angry at the mere mention of "ideological education." They would say: "Who do you think you are educating?" and "What do you know about education?" Some of the "elite" have confused and poisoned people's minds with imported "democracy," "freedom," and "human rights," and made people believe that "receiving education" was a shame and contemptuous of "individual wi!!" and "wisdom." Hence the disgust and repugnance toward ideological education. In such a "climate," some party organizations were not bold and assured enough in grasping ideological education and lacked consciousness in opposing bourgeois liberalization. As a result, strange phenomena surfaced whereby Marxism-Leninism would have been cold-shouldered for quite some time and the fallacies of bourgeois liberalization would have been welcomed at the solemn forum of the Communist Party and in the elegant lecture hall of science. Should not such phenomena provide us with food for thought?

Basically, the reason that some of the masses were confused in their minds because of their ignorance of the facts, and even acted in sympathy through erroneous actions in the recent riot and rebellion in Beijing, was none other than the fact that mistakes had been made in loosening the grip on ideological work for some time. This has been a bitter lesson. Regarding those comrades who were not bold and assured enough in grasping ideological education, if they have earnestly reviewed the whole process, do they not find themselves having

gone through some nightmarish experiences? It is only natural to educate the masses to support the party leadership and to adhere to the socialist road in China, where the Communist Party is in power and the socialist system is firmly established. It was precisely because of their will to realize socialism that the Chinese people have followed the Communist Party despite all the sufferings and bloodshed. Why should they have lost their boldness and assurance in educating the masses to adhere to the four cardinal principles when tremendous accomplishments have been scored with the socialist system, especially when the party's policy of reform and opening up to the world has achieved marked improvements in people's living standards? As party members and cadres, how can they remain indifferent to the ideological trends of bourgeois liberalization which are aimed at toppling the party leadership and the socialist system? If we let those people who should observe the Constitution "oppose the Constitution "boldly and assuredly," and let those party members who should landle affairs according to the party Constitution oppose the party "boldly and assuredly," this would be the greatest dereliction of duty.

To strengthen ideological education and to distinguish right from wrong regarding major issues are the needs of the party, the country, and the people. The majority of people who had an erroneous understanding of the recent turmoil and rebellion were mostly ignorant of the facts. None of them had ever thought of toppling the Communist Party and the socialist system. Some workers and staff from Wuhan Iron and Steel Company were also at a loss when exposed to rumors of every description, however, they came out to unhesitatingly oppose the turmoil as soon as the party committee had clarified the reactionary nature of the turmoil. Facts prove that grasping ideological education boldly and assuredly will eventually win the masses' support.

The Wuhan Iron and Steel Company CPC Committee always attached importance to ideological education, and the marked effects of this were seen in the recent fight against turmoil. Other localities may not be able copy all the actions of Wuhan Iron and Steel Company but its basic experience can and should be learned. Precisely, this is to grasp ideological education boldly and assuredly.

Article Rejects U.S.-Style Capitalism

OW2708062089 Beijing GUANGMING RIBAO in Chinese 20 Aug 89 pp 1-2

[Article by Xiao Hai (2556 3189): "To Negate the Four Cardinal Principles Is Precisely To Negate the Interests of the Overwhelming Majority of the People in China"—originally published in Issue No 8 of "ZHIBU SHENG-HUO"]

[Text] While receiving cadres of the martial law units in the capital at and above the army level, Comrade Deng Xiaoping made this penetrating analysis of the events in Beijing, which developed from student unrest to turmoil and from turmoil to counterrevolutionary rebellion: "The nature of the current incident is the confrontation between the four cardinal principles and bourgeois liberalization." In other words, the incident which developed from student unrest to turmoil and from turmoil to rebellion was the outcome of the pernicious spread of the ideological trend of bourgeois liberalization which aimed at completely negating the four cardinal principles. On the other hand, the struggle to end the turmoil and to quell the rebellion was carried out because of the need to uphold the four cardinal principles and to completely negate the ideological trend of bourgeois liberalization.

A very small number of people, including Fang Lizhi, Wang Ruowang, Liu Binyan, and Yan Jiaqi, used every opportunity over the past few years to spread bourgeois liberalization and to negate the four cardinal principles. They advocated "total Westernization" in such matters as "ownership," "political structure," and "ideology," and called for the all-around "import" and "transplantation" of the capitalist system in China to achieve what they called "private ownership in the economic field, a multiparty system in the political field, and Westernization in the cultural field." This "total Westernization" theory certainly is not acceptable to the Chinese people. However, it did have a bad influence on a number of people, particularly on a number of young intellectuals with only scanty experience in life. A leaflet entitled "A Letter to Youths Throughout the Country," which surfaced during the turmoil, openly demanded "the removal from the Constitution of the deeply hated 'principles' and the 'upholding of the principles." In light of this, it is necessary to have a penetrating discussion of all the issues.

In discussing major political issues in China today, it is necessary to 'est every argument by this criterion: Does it accord with 'the interests of the overwhelming majority of the people in China? This criterion is the very essence of "people's democracy." Therefore, it also is necessary to use this criterion to evaluate the different kinds of argument which negace the four cardinal principles and advocate bourgeois liberalization.

Fang Lizhi said: "I like the idea of total Westernization." He also told people in specific terms: The content of "total Westernization" includes "ownership." Wang Ruowang made it very clear as many as 2 years ago when he said: "I would like to discuss the question of the capitalist mode of production, which is precisely what is needed, urgently needed in China." He also said: "The main element of capitalism is called free economy." "The Declaration of Private Ownership—China's Hope," which surfaced during the turmoil, made an even wilder call for the "early sounding of the death knell of public ownership." We would like to ask: Does China today truly "need" to copy the capitalist mode of production; namely, the "free economy" based on capitalist private ownership? Do they dare to say who among the Chinese people "urgently needs" it and whose "hope" it is?

What would happen if we indiscriminately copied the capitalist mode of production in China? Let us take the U.S. pattern, which is the most admired among the advocates of "total Westernization," and make some "simulations" and "predictions." According to statistics compiled by Ian Robertson, a U.S. sociology expert, the richest one-fifth of the American population owns 76 percent of the national wealth, while the poorest onefifth owns only 0.2 percent of national wealth, and another one-fifth of poor Americans owns an additional 2.1 percent. This shows that four-fifths of Americans own only 24 percent of the national wealth; these Americans own less than one-third of the per-capita national wealth, of which the per capita wealth of one-fifth of poor Americans is only 10.5 percent, or less than oneninth of the national per capita, while the per-capita wealth of the poorest one-fifth is only 1 percent of the national per capita wealth. It also should be pointed out that according to statistics, "millionaires" (including multimillionaries and billionaires) account for only 1 percent of American families. Therefore, even among the one-fifth of the American population classified by Robertson as the richest, the per-capita wealth of the majority of them is below the national per capita. What would it mean if this pattern were copied indiscriminately in China? It would mean that, to make I percent of the 1.1 billion Chinese "millionaires," 1,089 million Chinese would have to lose, to varying degrees, their property, 880 million of whom would have to give up two-thirds of their total property, 220 million of whom would have to hand over eight-ninths of their property to others; and another 220 million of whom would have to give up 99 percent of their property. We would like to ask: Would the 1,089 million Chinese "appreciate" such a prospect?

The United States is a very rich country, but it still has many poor people who do not have enough to eat. According to statistics compiled by the U.S. Census Bureau in August 1984, 15.2 percent, or 35 million Americans, were below the "poverty line" in 1983. According to U.S. official standards, below the "poverty line" means "no movies, rarely eating meat, no dental expenses, no newspaper subscriptions, few clothes, and so forth."

Some people said: "Even the poor in the United States are better off than us." This remark is off the mark. It is probably true that the living conditions of the American poor (not to mention the mental distress and humiliation caused by exploitation) are better than those who exist in a small number of poverty-ridden areas of our country. It would not be right, however, to say that the American poor are better off than the majority of Chinese. A large number of people in the United States suffer from hunger and thousands upon thousands are homeless. After reading a report on the subject, even former U.S. President Reagan could not but sigh: "The United States should be the richest land in the world. Children, old folks, abandoned mothers, and the handicapped should

not suffer from hunger. I admit that I am deeply disturbed by this report." Sure, the president was helpless, even though he wanted to show a minimal "humanitarian" attitude!

This is the result of their system, the inevitable results and prerequisites of the capitalist mode of production. The question we should be pondering seriously is this: If the situation in the United States, "the richest land in the world," is such, then what kind of an inhuman situation would emerge if the capitalist system were to be copied indiscriminately in China? Here we should bear in mind that there is still a big gap between the per-capita gross national product of China and the United States. If China were as polarized as the United States, where would we draw our "poverty line?" How high would our poverty rate reach? It is not difficult to imagine that the overwhelming majority of Chinese would return once again to the misery of hunger, poverty, and homelessness. The reason is very simple: You may advocate polarization, but you cannot "share" the United States' wealth; you can only share China's wealth. In other words, you can only share (in fact, take away) the property of the overwhelming majority of Chinese.

Some people remarked: Instituting the exploitative system would be accompanied by a little pain, but not horror, because capitalism could make the country prosper in the long run. This is a casual, but not an intelligent remark. While practicing capitalism for 2 centuries or so, the United States has plundered not only the people of its own country, but also those of others. We may copy the American mode of production, but can we copy the history of the United States in plundering the people of other countries over the past 200 years? Obviously not. On the contrary, modern history has shown us that the Chir se attempt to learn from and to mechanically copy the Western system led to the semifeudal and semicolonial society, a target of imperialist pillage. Between the 1840 Opium War and the eve of the founding of New China, the imperialist countries looted several billion liang [a unit of weight, equal to 50 grams] of silver from China. Should China today plunge itself once again into the capitalist world, the country would forfeit its independence and become a target of plundering again, or, at the best, become a vassal dependent on a Western bourgeois superpower. Furthermore, capitalism is not as "magical" as imagined by some people. The growth rate and people's livelihood of many developing countries taking the capitalist road, including the other Asian reighboring giant, are not worthy of the peoples' envy. Nevertheless, by adhering to the socialist system, with public ownership as the predominant force, and by persisting in the policy of reform and opening to the outside world. China has noticeably improved the living standards of its people within a short period of 10 years. How can the replacement of the socialist mode of production, which already has yielded fruitful results, with the imaginary capitalist mode of production be called a fulfillment of the people's "pressing needs" and 'aspirations?" To put it bluntly, copying the capitalist

mode of production to realize the polarization of society can only meet the "pressing needs" and aspirations of a "millionaire" coveted by a very tiny number of advocates of bourgeois liberalization.

Regrettably, however, there are indeed people voicing such "pressing needs." Speaking in an obvious tone of a millionaire, Liu Binyan remarked a few years ago: "If I were in the United States, I would have at least 30 assistants. I would not need approval from Reagan and Shultz.... It would depend on social adjustment. Very simply, it would depend on money!" "For writing the book 'Between Man and Monster,' I would be able to make US\$500,000 or US\$1 million. Wouldn't all problems be solved?" Liu Binyan was able to speak in a subjunctive mood, but what kind of "hypothesis" can ordinary people in China make? Should we be "adjusted" by an American-style society, we could only be the "assistants" of "assistant aides" hired with "money." Liu Binyan's remark is too "blunt" and cannot be appreciated by the overwhelming majority of the Chinese people.

Supporters of "total Westernization" take delight in talking about bourgeois-style "freedom," "democracy," "election campaigns," and "parliamentary politics," and advocate that these be copied in China. During the turmoil, some people openly called for "abolishing Communist Party rule and enforcing the multiparty system." A very small number of people also instigated the establishment of various illegal organizations and tried to force the party and government to recognize them. Their goal was to pave the way for the establishment of opposition factions and parties in China.

Let us now try to imagine what it would be like if a "multiparty system" were truly realized in China?

The "multiparty system" in the capitalist world also takes a variety of forms. In some countries, two political parties alternate in ruling the country, while in others, three or five political parties maneuver among themselves. In still other countries, dozens of political parties frequently bicker with each other in factional strife. In some countries, multiple parties are allowed to take part in election campaigns in name only, while in reality only a single party rules the country indefinitely.... What kind of "multiparty system" do you want to copy? Actually, this is not a matter to be decided or designed by someone according to his wishes; it is something that will be decided by historical conditions. What merits our attention is that many developing countries in the world have tried to copy the West and practice the bourgeois "multiparty system," but often end up having dozens of political parties and factions. The endless factional strife among so many parties and factions have placed these countries in eternal turmoil. Some countries have gone through 10 or more coups in less than 10 years. As a result, there is no peace in these countries, and the people have no means of livelihood. Are not the ordinary people the ones who suffer the most?

What kind of situation would it be like if a "multiparty system" were practiced in China? We can take a look at the history: During the years of the Republic [1911 to 1949], China witnessed the craze of "forming political parties" on numerous occasions. Dozens of political parties would appear, and more than 100 existed at one time. Many groups and factions which had never taken part in political activities suddenly made their debut on the "multiparty" political stage amid pipes and drums. The "China Democratic Party," which surfaced after the War of Resistance Against Japan, was founded by the proprietress of the Chungking International Dance Hall amid the sounds of dance music. The noisy and disorderly situation indeed appeals to all types of careerists, opportunists, and politicians. However, does it benefit the overwhelming majority of people in China? If, today, we deleted the provision of upholding the Communist Party leadership from the Chinese Constitution and reverted to the practice of "multiparty politics," would it then be necessary to legalize such counterrevolutionary organizations as the "Chinese People's Party for Protecting the People" and the "New National Social Democratic Party" uncovered 2 years ago, the "Chinese Youth Democratic Party" uncovered in Shanghai during the recent turmoil, and the "Alliance of the Opposition Democratic Parties of the Chinese People" uncovered in Qinghai? Would those organizations that appeared and presented their specific programs on the "Xidan Wall" several years ago be allowed to openly form parties? Moreover, would the numerous "corps" and "fighting teams" that appeared in the 10-year "Cultural Revolution" be allowed to rise up again and display their skills in the arena of "multiparty politics"?

China is a big country with a population of 1.1 billion. It is also a country influenced intensively and extensively by the petit-bourgeois tradition. If we practiced the capitalist production mode and, therefore, "multiparty politics" in China, we might set a world record in the number of parties, but our nation would once again be divided and become "a pile of loose sand." In that case, how could that be in the interest of the broadest masses of people?

Invariably, politics is an expression of economic interests. In the capitalist society, the interests of the bourgeoisie clash sharply with the interests of the proletariat and the petite bourgeoisie. Sharp clashes in interests also exist within the bourgeoisie. This is the social basis for the creation of "multiparty politics." Generally speaking, "multiparty politics" meets the needs of rule by the bourgeoisie and the oppression of the proletariat and other masses of people. The reason is that it is very "democratic" in form, but can fulfill the task of bourgeois dictatorship in essence. Under certain historical conditions, when it is no longer practical to carry on "multiparty politics" even in form, the system can be turned into a "one-party autocracy" at any time. This was the case of the fascist parties of Germany, Italy, and Japan before World War II.

Some people describe the Communist Party leadership as "one-party autocracy" or "one-party dictatorship." This is either a vicious attack or an indication of stupendous ignorance. Of course, the Communist Party is a political party, but it is a new political party different from all bourgeois and petit-bourgeois political parties. With Marxism as its guiding ideology, the Communist Party was created on the basis of proletarian interests. For this reason, it may be described as the political party of a certain class. Since the proletariat has "no private property" and its class interests are identical with the interests of the vast majority of people and with the common interests of all mankind, the Communist Party, as a proletarian political party, has no private interests in any sense. Accordingly, when the Communist Party is the ruling party, there is absolutely no such thing as "one-party autocracy" or "one-party dictatorship." What does exist is "the people's democratic dictatorship." It means the democracy of the overwhelming majority and the dictatorship over a very few reactionaries.

It should also be noted that while there is no "multiparty politics" in our country, there is multiparty cooperation under the leadership of the Chinese Communist Party. The democratic parties in our country are political parties tempered and tested in long-term practical revolution and construction and respected by the people. They are political parties participating in the exercise of our country's political power, playing a role in our government's work, and making concerted efforts for our socialist cause under the leadership of the Communist Party. They are also part of the mainstay of the people's democratic dictatorship. The party programs of these democractic parties all contain the unequivocal principle of supporting the leadership of the Communist Party. This is because historical experience has proven that only with the Communist Party leadership can there be a new China and a socialist modernization program in China. To deny the Communist Party leadership is to deny the interests of the overwhelming majority of the Chinese people. This is the essence of the question.

Advocates of "total Westernization" describe the American system of two parties assuming power in turn as an exemplary model of "democratic politics." As a matter of fact, this is a myth that even the Americans themselves do not believe. Many upper-stratum Americans have said openly: "American democracy is, in reality, U.S. dollar democracy." The American political party. whether it be the Republican or the Democratic Party, has to obey the batons of the three big U.S. consortiums (the eastern consortium, the southwest consortium, and the midwest consortium). Both parties share the same position in regard to major policies, and both support the common interests of the monopoly bourgeoisie and bourgeois dictatorship. This is a fact known to all. If we introduced this "U.S. dollar democracy," or "U.S. dollar dictatorship," into China, wouldn't it lead to the total loss of the democratic rights already obtained by the overwhelming majority of the Chinese people?

If the Ideology of Western Society Were Actually Introduced to China

Advocates of "total Westernization" have also tried their best to calumniate Chinese culture. Fang Lizhi said: "To be absolutely frank with you, I do not go along with the slogan of patriotism," and "if a culture is hopeless, why not just let it fall apart?" Besides, they are deeply in love with the Western "culture, morality, theory, and ideology." Of what does the bourgeois ideology of the West consist? Of course, it includes some achievements made by human civilization in the course of progress. But essentially speaking, it is nothing but such bourgeois ideas as individualism, hedonism, and money worship, not to mention some "new" ideas like "sexual liberation" and so on. What exactly are the things admired by advocates of "total Westernization"? The answer is very clear if we review how they have vigorously calumniated selflessness, common ideals, the spirit of waging hard struggle, and the Lei Feng spirit over the years.

In this connection, an advocate of "total Westernization" in Taiwan has put it quite "frankly." He said: "Modern Western culture is like a beautiful lady. If you want to possess her, you must possess all her good points as well as 'drawbacks.' If we desire their cucumbers, onions, tomatoes, watches and clocks, glasses, Simmons mattresses, and reserve officer systems, we have to endure syphilis, body odor, bars, traffic accidents, divorce, teddy boys, burlesque, and the madness that accompanies rock and roll." He criticized "those who refuse to completely accept the modern Western culture," saying they "do not understand the essence of cultural transplant" and "do not truly realize that culture is actually a 'complete entity." This is an extremely interesting remark. From this, we can understand the strange logic of advocates of "total Westernization," and take a peek at the lively picture after "total Westernization" is achieved.

Western culture, like any other culture, has both quintessence and dregs. Why can we not analyze this type of culture before deciding what should be developed and what should be discarded? Why should we first assume that we should "possess her" in entirety before inferring that it is impossible to eliminate "her" repulsive features? Why should the Western culture be "transplanted" as a "complete entity"? Is it because China is fundamentally void of its own culture, or because today's China has not developed a culture with a higher quality?

The problem is still in the premise itself. Why do advocates of "total Westernization" "admire" Western culture as a whole? The overwhelming majority of Chinese people may also state, in the first place, that they have never admired Western culturze as a whole.

This touches on the question of how we look at the persistent social ills that have plagued Western society in its entirety: drug addiction, drunkenness, robbery, murzder, suicide, divorce, prostitution, homosexuality, syphilis, AIDS, and so on. These social ills of the West are truly things "brought about by their ideology and

their ideological foundation." Let us still take the United States, which is most revered by advocates of "total Westernization," as an example. Of the more than 200 million people in the United States, as many as 30 to 40 million people constantly use illegal narcotics. Some 7 to 8 million people are chronic alcoholics, and the number of alcoholics is increasing by as much as 500,000 each year. Some 20 million people are using drugs to "overcome anxiety," and some 51 percent of the elderly population have become addicted. Some 200,000 people are confined to mental hospitals. In the 20 years from 1958 to 1978, the divorce rate increased by more than 3 times, which means that one out of two married couples is divorced. Official statistics of 1977 showed that some 30,000 people committed suicide and some 20,000 people were murdered each year.

The overwhelming majority of people in China will not admire these repulsive features of Western society, nor will they agree to introducing them to China. Since this is vital to the peace and happiness of each and every family and individual in China and to the revitalization of the Chinese nation, the overwhelming majority of the people in China will of course oppose and resist the pollution by Western bourgeois ideology. This is nothing to wonder about.

The Interest of the Great Majority of Chinese People Lies in Building Socialism With Chinese Characteristics

The socialist system was chosen and built by the Chinese people after repeated explorations for more than 100 years.

The 40-year history of the socialist system in China proves that it conforms to the interest of the great majority of the Chinese people.

It is the socialist system that has enabled the Chinese people to be rid of the situation of division and disunity; achieve an unprecedented unity; have common aspirations, interests, and causes; and unite with strong integrity.

It is the socialist system that has put an end to the history of China being bullied and trampled upon by others, made Chinese people stand up again in the international arena, and turned China into a sovereign state that no superpowers dare look down upon and almost all developing countries and developed countries respect.

It is the socialist system that has enabled us to achieve a progress in construction that old China did not make in several hundred or even several thousand years. The socialist system has enabled us to greatly narrow the economic gap between our country and developed capitalist countries, and to greatly enhance our national strength.

It is the socialist system that has enabled the people in most regions of a country with a population of 1.1 billion to attain self-sufficiency in food and clothing and even have a little to spare. Particularly in the last 10 years, the people's living standards have greatly improved.

It is the socialist system that has given the Chinese people the status of masters for the first time, and enabled them to engage in construction as the masters of their own affairs. It has enabled the Chinese people to make one sure progress after another in the road of people's democracy.

It is the socialist system that has created thousands upon thousands of young people like Lei Feng; workers like "Iron Man" Wang Jinxi; intellectuals like Luo Jianfu and Jiang Zhuying; cadres like Jiao Yulu; and "guards of the republic" like Liu Guogen, Wang Qifu, Li Qiang, Du huaiqing, Li Guodong, Wang Xiaobing, Xu Rujun, Cui Guozheng, Ma Guoxuan, and Wang Jinwei. It has made the whole society advocate a selfless communist thinking.

It is also the socialist system that has enabled us to defeat various natural disasters and man-made calamities, overcome our own deviations and mistakes, and continue advancing after setbacks.

Today, the Chinese people are engaging in a new creation under the guidance of the correct line, principles, and policies of the party laid down since the 3d Plenary Session of its 11th Central Committee. The creation is not isolated or closed. It is a creation undertaken by the Chinese people with their intrinsic broadmindedness to absorb all positive results of human civilization, but it is a socialist creation. We have already made some progress in the undertaking, and are anticipating greater progress. We are confident that after we realize considerable economic development to raise our per-capita income to \$4,000, our life will be better than that of the American people with a per-capita income of more than \$10,000, because our prosperity will be a common prosperity. Moreover, we will be able to make greater progress in building socialist spiritual civilization, and show further to the whole world the superiority of the socialist system over the capitalist system.

We want to "build socialism with Chinese characteristics; we don't want a "totally Westernized" "bourgeois republic"—this is our conclusion based on the interest of the great majority of the Chinese people.

Article Considers Bourgeois Liberalization

OW 2608065589 Beijing GUANGMING RIBAO in Chinese 18 Aug 89 p 3

[Article by Wu Ge (0702 2047): "Bourgeois Liberalization, Turmoil, and Counterrevolutionary Rebellion"]

[Text] It has become increasingly obvious to the people that the recent turmoil in Beijing and some other places and its development into the counterrevolutionary rebellion in the capital was, fundamentally speaking, a product of the international and domestic climate. The entire course of events witnessed a sharp conflict between bourgeois liberalization and the four cardinal principles.

I.

The ideological trend of bourgeois liberalization is an adverse current characterized by its worship of the Western capitalist "democracy" and "freedom," its repudiation of the party's leadership and socialist system, and its advocacy of the capitalist system. Comrade Deng Xiaoping has pointed out explicitly, on behalf of the party Central Committee, that in order to accomplish the four modernizations in China, it is imperative to uphold the four cardinal principles: adherence to the socialist road, to the dictatorship of the proletariat, to the Communist Party's leadership, and to Marxism-Leninism-Mao Zedong Thought. He also has emphasized: "If we waver on any of these four cardinal principles, the entire cause of socialism and the modernization drive will be shaken."

At the beginning of 1987, the party Central Committee, in view of the rampant bourgeois liberalization at that time, decided to launch an education campaign on upholding the four cardinal principles and a struggle against bourgeois liberalization in order to correctly and comprehensively implement the line pursued by the party since the 3d Plenary Session of its 11th Central Committee. People expected Comrade Zhao Ziyang, who was the general secretary of the party at the time, to carry out the central authorities' decision earnestly. Soon, however, facts showed that he had adopted a dual attitude toward the decision. He agreed, on the surface, that we should uphold the four cardinal principles, but, in reality, he abandoned them. He said: In upholding the four cardinal principles from now on, we should primarily uphold the principle on party leadership, and could omit or mention less the other three. This remark shows that he had long wavered on Marxism-Leninism and socialism. Proposing a "spontaneous theory," he asserted that so long as the achievements of reform were clearly explained to the people, problems regarding the four cardinal principles would be resolved. His proposal was actually aimed at abolishing the principles. Small wonder, he repeatedly connived with and supported advocates of bourgeois liberalization while vehemently suppressing, repudiating, and attacking comrades upholding the four cardinal principles. In this way, those long-term, diehard advocates of bourgeois liberalization were encouraged and were secure in the knowledge that they had strong backing. Consequently, since he took charge of the work of the party Central Committee, he not only failed to check bourgeois liberalization, but he also enabled it to develop into the more serious trend of maintaining illicit ties with forces abroad.

Since last year, bourgeois liberalization has further spread unchecked, leading to several incidents which paved the way for the recent turmoil.

First, it was the opening of the "democracy" at Beijing University, which was instigated single-handedly by Fang Lizhi and Li Shuxian and presided over primarily by Wang Dan and other people. On the opening day on 4 May of last year, Fang and Li ascended to the podium and made some explosive speeches. The "democratic salon" subsequently became the venue for Wang Dan to make speeches on topics determined by Fang Lizhi, as well as for leading advocates of bourgeois liberalization to air their views. In more than 6 months up to the end of last year, Fang Lizhi published around 20 articles and interviews opposing communism and socialism and inciting turmoil in newspapers and journals in Hong Kong and abroad. In discussing "democracy" and "human rights," he demanded that Wei Jingsheng be released and that a "multiparty system" be introduced. In discussing the economic "reform," he called for replacing the socialist system of public ownership with private ownership, and preached "capitalism" as the only solution to the mainland's problems. Moreover, he declared time and again that "Marxism is outdated." Such rubbish expounded by Fang Lizhi became the major ideological stock of Wang Dan and the "democratic saloon." Some people even openly clamored that "we should establish an opposition party" and that "the key to practicing democracy lies in a change in China's environment." The development of subsequent events further proves that this so-called "democratic saloon," in both its name and activities, was aimed at preparing public opinion and at paving the organizational grounds for the turmoil against the party and socialism.

Second, "River Elegy" and the so-called "River Elegy fever." "River Elegy" was self-styled as a "television political commentary" that "comprehensively reflected on the nation's history, civilization, and destiny." By arbitrarily distorting the history of China and the world, the series negated, insofar as theory of world outlook is concerned, the Marxist historical materialism, instead advocating historical idealism; in ideology and culture, it totally repudiated the long traditional culture of China and the glorious history of the Chinese nation, instead propagating national nihilism and the theory of Eurocentralism; in politics, it negated the path and history of Chinese revolution that started with the 4th May Movement as well as the socialist system, instead advocating complete Westernization and the capitalist system. While praising what it called blue civilization, that is, capitalist civilization, as a monument at the peak of man's civilization, the series vilified Chinese civilization as the "last-ditch struggle of the entire old world."

The series then came up with two "new eras" and eulogized them. The first one was the new era of the capitalism. Britain was the first one to enter this new era, thanks to its successful bourgeois revolution. The second was China's march toward the new era of blue civilization, with Zhao Ziyang as its symbol. Zhao Ziyang admired "River Elegy" very much and recommended it to foreign heads of state as a national treasure. A number of people who advocated or were influenced by bourgeois liberalization gave enormous

publicity to the series and thus whipped up an extraordinary "River Elegy fever." After "River Elegy" was broadcast, Jin Guantao, general adviser to the series, made a demagogic speech at a meeting saying that "the experiment of socialism and its failure was one of the two legacies of human kind in the 20th century." During the recent antiparty and antisocialist political turmoil, both this general adviser and the scriptwriter Su Xiaokang played the role of instigators. As for this, it is not difficult to find traces of it in the series. It also shows "River Elegy" and the emergence of "River Elegy fever" were important groundwork laid by the advoctes of bourgeois liberalization to stir up public opinion in preparation for the turmoil.

Third, the previously drive to "topple Deng and protect Zhao." The 3d Plenary Session of the 13th CPC Central Committee held last September formulated the policy of improving the economic environment, straightening out the economic order, and deepening the reform in an all-around way. This policy is suited to the current situation, conducive to correcting errors committed in previous years, and is supported by the people. However, as this policy began to yield results by correcting some of the errors, Zhao Ziyang's mistakes would be further exposed. This ultimately would put the power and position of Zhao Ziyang, who continued to persist in his mistakes, in jeopardy. Therefore, people given the title of Zhao Ziyang's "brain trust" spread, through some Hong Kong newspapers and journals with which they had close ties, the political message of "toppling Deng and protecting Zhao," and launched a drive to "topple Deng and protect Zhao." According to a Hong Kong professor, they did this because "in terms of the hope of China turning capitalist, they settled on Zhao Ziyang." To coordinate with the drive to "topple Deng and protect Zhao," Yan Jiaqi, an advocate of bourgeois liberalization who had close ties with Zhao Ziyang's former secretary Bao Tong, and Wen Yuankai published a dialogue between themselves on the current situation. It attacked "the improvement of the economic environment and the straightening out of economic order," saying that it would lead to "stagnation" and "going backward," and "would very likely wash away economic reform." Yan Jiaqi especially pointed out: "A big problem facing China was, I believe, not to follow the old disastrous road of nonprocedural change of power, as in the case of Khrushchev and Liu Shaoqi." "The nonprocedural change of power, as in the Cultural Revolution, will no longer be allowed in China." After being published in JINGJIXUE ZHOUBAO [ECONOMICS WEEKLY], this dialogue was reprinted immediately by several Hong Kong newspapers and journals, as well as SHIJIE JINGJI DAOBAO. The essence of the dialogue was to cover up Zhao Ziyang's mistakes, maintain his position and power, and protect the "hope of China turning capitalist" from going bankrupt. The conspiracy to "topple Deng and protect Zhao" was not only part of the preparation for the turmoil, but was a telling exposure during the raging tides of the turmoil.

Since the beginning of this year, planning and preparation for turmoil had stepped up. On 1 January, Fang Lizhi published an article entitled "China's Disappointment and Hope," in Taiwan's LIANHE BAO [LIEN HO PAO]. In the article, he said that this year marks the 40th anniversary of the founding of the Republic and the 70th anniversary of the May 4th Movement, and that the two events "happen to symbolize China's disappointment and hope." He said that "40 years of disappointment is rooted in 40 years of the socialist system itself." He called for the formation of different forms of "pressure groups" in opposition to the government, as well as for 'open criticism of the authorities" to achieve the socalled "reform of political democracy and economic freedom"; in other words, to achieve what he called "total Westernization."

In late January and again in February, they became even more active. Their activities ranged from the so-called "activities of the New Enlightenment Salon" organized by Su Shaozhi, Fang Lizhi, and others, to Fang Lizhi's letter to Deng Xiaoping and the letter signed by Chen Jun and 33 others demanding the release of counterrevolutionary criminal Wei Jingsheng, and to the joint letter from 42 people, including Zhang Xianyang, Li Honglin, Bao Zunxin, and Ge Yang. The tremendous amount of signals resembled the wind sweeping through the tower just before a rising storm. Shrouded in this atmosphere of bourgeois liberalization, a number of young students began to acquire a markedly procapitalist sense of value.

In early March, the so-called "letter to the vast numbers of young students" appeared in some institutions of higher learning, instigating students to "plunge into the current of 'democracy,' 'freedom,' and 'human rights' under the leadership of democracy fighter Fang Lizhi. Toward the end of that month, Fang Lizhi's article, "China's Disappointment and Hope," was posted in some of the universities. At a rally held at Beijing University, Li Shuxian instigated the "abrogation of Beijing Municipality's 10-article regulation on demonstrations." In mid-April, as soon as the student unrest started, a program for the total rehabilitation of bourgeois liberalization began to appear with an overbearing force. At the same time, at the instigation of the backstage planners, all kinds of illegal organizations were set up quickly as the means to struggle for the realization of their program. Thus, the outbreak of the turmoil became inevitable.

II.

The long-time preparations for bourgeois liberalization, including fostering public opinion and making organizational arrangements, caused the student unrest to develop into turmoil. Finally, through malignant development, it became a shocking counterrevolutionary rebellion. In this incident, the bourgeois liberalization trend of thought, which had been quiet for years, resurfaced and spread again, leading the young students to go farther and farther opposite of their original intention.

First, a "neo-enlightenment movement" was used as a pretext to radically negate the Chinese revolution since the "May 4th" Movement and the history of New China. It was also used to distort the nature of the socialist society of our country.

A fundamental difference between us and those advocating bourgeois liberalization lies in how to correctly assess our history since the founding of the People's Republic, and how to correctly view the nature of China's society. At first, they subjectively and randomly distorted and exaggerated the task of "wiping out the remnant poison of feudalism" set by the party Central Committee. Then, they stuck a "feudalism" label on the body of the socialist system. They regarded socialism as "feudalism" and opposed it completely, thereby confusing a large number of youths.

In the turmoil, this trend of thought gushed out like a stream from an open floodgate. "Our culture, which has not been imbued with the new civilization, is quietly heading for demise." "We should resist the shackles imposed upon us for several generations and try to win the freedom which several generations of people have been unable to gain." There are numerous allegations like these.

Some people deliberately distorted the nature of China's socialist society. This was an out-and-out scheme. Today, we are conducting socialist construction and reform far beyond the foundation laid by the "May 4th" Movement. The past 40 years have been 40 years characterized by the best development, the most remarkable progress, and the greatest stability in modern Chinese history. This is a historical fact universally recognized in the world.

Second, frantic efforts were made to advocate the kind of "democracy," "freedom," and "human rights" that were opposed to the legal system and the four cardinal principles, so as to support the turmoil.

"Democracy," "freedom," and "human rights" are the most fashionable slogans used in this incident. All kinds of illegal organizations and hostile forces at home and abroad vied to shout these slogans.

Marxism stands for democracy, freedom, and human rights, but believes that they must be subject to class, historical, and concrete analyses. By obliterating their class nature and divorcing them from the concrete social conditions, it is only possible to advocate abstract "democracy," "freedom," and "human rights." This is the consistent ploy used by the Western bourgeoisie to deceive the people and oppose socialist countries.

However, using the concept of abstract "democracy," "freedom," and "human rights" to instigate trouble is quite deceitful and demagogic. A so-called "democratic declaration of the students" of one university said: "We have mouths, but can never speak our own words! We have brains, but can never think independently!" These university students were so indifferent to the nurturing

and cultivation provided by the state and the people that they went so far as to confuse black and white! There were some people who agitated others by saying: "What is meant by law? To struggle for democracy and freedom is the biggest law." This was openly waving a banner to trample underfoot the socialist legal system and demand absolute freedom in order to oppose the four cardinal principles and go ahead with the turmoil.

This is why the extremely abnormal situation appeared. As long as they waved the banner of "democracy," "freedom," and "human rights," they could do anything in violation of the law. If anyone opposed their way and took resolute steps to check the lawless turmoil, he would be slandered as "autocratic." This has enabled us to see the wonderful reappearance of what Lenin once exposed: "They talk about 'general democracy' to support bourgeois democracy and blame 'general dictatorship' to oppose proletarian dictatorship."

Many young people who were once fascinated with these slogans have been awakened by the stark facts and the bloody lesson from the turmoil and rebellion. This reminds us that while vigorously promoting socialist democracy in the future, we should never deviate from the path of the socialist legal system or violate the four cardinal principles. Otherwise, we will only have the kind of "democracy", "freedom," and "human rights" with which a handful of people are allowed to do whatever they please in defiance of the law, whereas the democracy, freedom, and human rights of the large number of people, which are safeguarded by the legal system, will be seriously threatened and sabotaged.

Third, they preached "reform and openness" centered on the capitalist culture.

Socialism should undergo reform, and reform should be carried out along the socialist path. This is our basic attitude toward the question of reform. From the very start, those who doggedly clung to the stand of bourgeois liberalization took advantage of young students' enthusiastic support for reform and openness to peddle their contraband goods: reform and openness centered on the capitalist culture. They regarded Comrade Zhao Ziyang, who discarded the four cardinal principles, as one of the "reformists," and vilified as "conservatives" and "diehards" those leaders who persisted in reform and opening to the outside world by upholding the four cardinal principles. For some time, there was a widespread clamor to "support the reformists and oppose the conservatives." The spearhead was even directed against Comrade Deng Xiaoping, the chief architect of China's reform and open policy.

In order to switch the socialist course and to guide reform and openness along a path leading toward the realization of Western capitalism, there was an unbridled clamor for a "multiparty system" and "privatization" during this incident. Some programs even clamored to "remove communist despotism and implement a multiparty system," and publicly called for "sounding the death knell of the system of public ownership and ushering in the new future of the Republic." This completely laid bare the urgent desire of the extremely small number of people who attempted to change China's socialist system and implement the capitalist system.

Many young students did not understand China's history and reality, nor did they fully realize that socialism is a must and that China can achieve prosperity, wealth, and power only by taking the socialist road. They were implicated in the turmoil to varying degrees. This also offers another profound lesson for us.

From this incident, we know that bourgeois liberalization is not just a general ideological trend which is opposed to the four cardinal principles, but is a concentrated, cohesive, complete, and extremly reactionary political program. Politically, this program is designed to overthrow the CPC's leadership and implement the "multiparty system"; economically, it aims at abolishing the socialist system of public ownership and implementing "privatization"; ideologically, it attempts to negate Marxism - Leninism - Mao Zedong Thought, and replace it with the ideology of the Western bourgeoisie. The most profound lesson we learned from the stormy events in the past 2 months is that, to ensure a prolonged order and prosperity of socialism, we must implement the party's basic line in all areas, and effectively carry out the struggle against bourgeois liberalization through to the end.

Social Science Academy Urges Compulsory Abortion OW2408102089 Tokyo KYODO in English 0655 GMT 24 Aug 89

[Text] Shanghai, Aug. 24 KYODO—An article appearing in China's academic magazine urges that all pregnant women aged 24 or under should be made subject to compulsory abortion to check the nation's swelling population.

At the same time, the article said China should set strict new family planning limits for its various ethnic groups.

The article printed in the latest issue of the magazine published by the Shanghai Social Science Academy said strict compulsory abortion should be applied to pregnant women who are 24-years-old or younger.

China's population exceeded 1.2 billion as of April this year.

China should set strict new family planning limits for the nation's various ethnic groups and require abortions for women who violate the law, the social science academy here said in its latest monthly issue.

In a paper submitted to the Shanghai Social Science Academy, a writer from the Communist Party's school in Jiangsu Province said the nation's voluntary single-child family policy had failed and that more radical measures would be necessary to keep China's 1.2 billion population in check. Members of ethnic groups with fewer that 500,000 people should be allowed to have up to three children, while those from larger groups should be limited to having two children, he said.

Special police units should also be set up to enforce the law and abortions required if women under the age of 24 exceed family planning limits, he added.

Ministry Attempts To Curb Traffic Deaths

HK2608021289 Beijing CHINA DAILY in English 26 Aug 89 p 3

[By staff reporter Chang Hong]

[Text] Following the deaths of nearly 23,000 and injuries to almost 73,000 others in the first half of this year, a new wave of road safety publicity is expected to shock this populous country into an awareness of the traffic rules, a senior traffic official has said.

And the traffic authorities plan to impose tighter control over non-motor-driven vehicles, bicycle riders and pedestrians as the enforcement of the new set of highway management regulations enters its second year.

"We will stick to the principle of strict management and tell everybody to make obeying traffic rules a habit," said Zhang Zhengchang, direct of Traffic Management Bureau under the Ministry of Public Security.

Residents in major cities have already experienced the tide. Beijing cyclists are being bombarded with safety propaganda in the city's main intersections while cycling to work in the morning. Sometimes they are stopped and fined when trying to jump red lights.

In an interview with CHINA DAILY, Zhang said that since the China Highway Traffic Management Regulations, the nation's first set of comprehensive traffic rules, went into effect last August, a better road safety record has been registered for the country as a whole.

During the first half of this year, 22,821 were killed, 72,928 injured in 119,965 road accidents, respective drops of 5.99, 7.14 and 5.3 per cent compared with the same period of last year, however, the economic loss caused by accidents, which totals 151.274 million yuan, rose by 14.62 per cent.

Prior to 1987, the number of accidents, deaths and direct economic losses had increased at a shocking annual rate of 10 per cent. Now the growth rate has been basically curbed.

"Although we have been very strict to motor-vehicle drivers, control on pedestrians and non-motor-driven vehicles has been soft," said the director.

"People's safety awareness are generally low, especially in rural areas," he added.

Eighty to 90 per cent of the road accidents are bicycle and pedestrian related, according to Zhang.

At present, one out of four Chinese owns a bicycle.

Several provinces and regions have embarked on special programmes to rectify traffic order in both urban and rural areas with an emphasis on bicycles, special vehicles for the handicapped, motorcycles and tractors.

In Beijing, special limits have been put on cyclists. And additional civilian safety guards can be seen in almost every corner of the city. The move, started a year ago and disrupted during the recent social unrest, is part of the effort of creating a better traffic order for the coming Asian Games.

Describing traffic management as a huge system involving all social sectors and people from all walks of life. Zhang said the awareness of traffic rules among the public is the basic premise to stem death toll on road and create a safe and smooth traffic system. In addition, a set of comprehensive traffic rules, both general and supplementary, better road construction, advanced management facilities will add to contribute.

Military

Yang Baibing Visits Provincial PLA Unit

SK2008020389 Changchun Jilin Provincial Service in Mandarin 2100 GMT 19 Aug 89

[Text] On 19 August, General Yang Baibing, director of the General Political Department of the People's Liberation Army [PLA], who was accompanied by Lieutenant General Liu Jingsong, commander of the Shenyang Military Region, and Major General Dai Xuejiang, director of the Political Department of the Military Region, came to the PLA Unit No 81021 to visit all cadres of the leading organs under the unit.

During his visit, Director Yang first and fully acknowledged the achievements scored by the party committee and organs under the unit in blocking the disturbance and quelling the countrerevolutionary riot by taking a clear-cut stand, resolutely acting in unison with the CPC Central Committee, and in keeping the unit stable. He also praised the prominent contributions made by the unit in supporting local construction, such as putting out the forest fires in Daxinganling, combating floods and hastening to deal with the emergency, and giving a helping hand in grain delivery. He pointed out that during the current and upcoming periods, we must regard the study and implementation of the spirit of the 4th Plenary Session of the 13th CPC Central Committee as a central task, do a good job in grasping the task in a down-to-earth manner, and eliminate the things which have spread bourgeois liberalization so as to enable the Armed Forces to become more pure in ideology. Yang Baibing urged the PLA unit, which has existed for a long time, to continuously carry forward its glorious tradition, to do a good job in implementing the tasks issued by the Central Military Commission and the General Political Department under the PLA with regard to building up grassroots-level units, and to make new contributions in the future to enhancing the construction in various fields of the Armed Forces and to supporting local socialist construction. Yang Baibing also presented books on the PLA units which have executed the martial law task of quelling the counterrevolutionary riot in Beijing Municipality, and paid a visit to the cadres and fighters of the ninth company under a certain unit.

RENMIN RIBAO Describes Special Force

HK1908064189 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 11 August 89 p 4

[Article by Zhang Junxiong (1728 6511 7160) and Zhang Junrong (1728 6511 2837): "A New Force Charges to the Fore—On China's First Regular Simulated Foreign Army Force"]

[Text] Green bereis, camouflaged military uniforms, and insignia comprising the criss-cross of an attack and besieging signals—these are the characteristic marks of China's first regular simulated foreign army force, which is active in a certain mountainous region in the southeastern part of the great land of China.

The Determination of Decisionmaking Military Officers

In the spring of 1986, a sleepy mountainous region was awakened as vehicles loaded with all sorts of equipment plied in and out, and veteran military training officers as well as experts and researchers converged from all directions on this remote hilly area after traveling day and night. A highly confidential military training organization in our Army was established.

For a long time in military training, the "enemy" and our side battled against each other using the same tactical thinking, principles, and means. This was obviously rather inadequate training to meet the contingencies of future warfare.

How could we shake off this low-level circle, break out of this confinement, and find ourselves a really strong "opponent?" The decisionmaking officers in the People's Liberation Army [PLA] groped for an answer. Finally in the 1980's, the chief of the general chief made up his mind. The leaders of Nanjing Military Region actively launched the deployment, intensive preparations, and organization of the first regular force completely modeled on foreign army patterns.

The appearance of China's first regular armed force to simulate foreign armies drew the intense interest of military experts from countries all over the world. They glued their attention to this new trend in the tactical training of China's Armed Forces. The military attaches in some of these countries' embassies in China inquired eagerly of China's military....

He was a tall, plump fellow in camouflaged military uniform. His words were often accompanied by forceful gestures. In every way he gave one the impression of a

foreign military officer. His name was Gu Jing and he was once a training officer at an army academy responsible for training simulated foreign troops. An officer without a diploma but with self-taught talent who for a long time gave lectures to university students. Every minute he racked his brain figuring ways to fight against his "enemy"-the PLA. He was "mean, cunning, and arrogant." He once declared that "he would crush all PLA units." He was the general commander of this simulated foreign army force and truly became "commander of the Blue Army." He was a training expert, had organized numerous "battles" on the training ground, and was always a "victorious general." Before his arrival. the military training of China's Army had always been planned under the tactical deployment that "Red Army" would always win and the "Blue Army" would lose. Gu Jing knew the shortcomings of this kind of tactical training. Since being made "commander of the Blue Army" he has always worked hard in "engagements" to inflict pain on the "Red" commanders and soldiers. In playing the role of "commander of the Blue Army," he demanded of himself that he not only look, but act, like one. To learn how to be a really mean and cunning "commander of the Blue Army," he browsed through foreign tactical textbooks from squad- to division-level, read "State Strategy" and its different editions, studied many famous world battles, and wrote tens of thousands of words of notes.

"Lizard" and "Crocodile" Operations

Everything was strange to the eyes at the simulated foreign army force's field camp. The original green barracks were in confusing multicolors. Personnel marched in file in new compositions and organizations and were equipped with new gadgets. Even radio call signs were grotesque: long-used military code names like "Changjiang," "Huanghe," "Shanghai," "Beijing," and so on were banned. They were replaced with such signals as "lizard," standing for armored vehicles; "crocodile," for tanks; and "wasp," for helicopters. When the several walkie-talkies in the command unit cracked with calls, it was like a carnival with all kinds of animals. The officers and soldiers in the simulated foreign army force found themselves in a totally strange world.

When soldiers donned their camouflage uniforms and looked at each other, they felt embarrassed. Nobody understood the insignia on the helmets, and this was where the lessons started. The training officer pointed at the white insignia and told the soldiers that the circle stood for besieging and the two triangles facing each other signified maneuvers and in-depth attacks. The insignia is one of the symbols of the simulated foreign army force.

The training of the force is extremely "hard." For a short time in the beginning, the soldiers had to "battle" against themselves. Within 30 minutes of boarding aircraft or armored vehicles, the young men began to throw up violently, but in simulated foreign armies, a ride in armored vehicles was "as frequent as having a snack."

Is there any way to overcome motion sickness? Here is the soldiers' attitude: To become a real "simulated foreign soldier" it is necessary to suffer. Feng Sheng, squad leader of the 5th Squad, 2d Company, suffered particularly acute motion sickness. Twice he collapsed in the field, but on coming to, would again climb into the armored vehicle. To get the body to adjust to the new conditions, many soldiers prolonged their rides in the vehicles. Soldiers seized every chance to get rides in armored vehicles to the extent that they gave up riding the "Great Liberation" trucks. They ate and vomited, a cycle which was repeated many times. Finally, after numerous incidents of such painful "torture" the young soldiers "conquered" their bodies and were then able to crack jokes and laugh when riding the speedy armored vehicles.

The training here is terrible. Huo Guangshen, assistant company commander of the 2d Company, took the soldiers for special skill training sessions. Like a ramrod when standing and stout as a jar when seated, Hou was all muscle and well versed in the martial arts. He was nicknamed "Captain Scorpion." The soldiers under his command had all passed the severest tests and multiple screenings and all had some reputation in his own small circles. Training in learning how to catch an enemy and engaging in physical combat was brutal, and with one slight misjudgement, there were twisted tendons and broken bones. Every soldier is tired out after covering 10 km or so in the field in full military outfits. Jumping on and off armored vehicles might often result in a bruised nose and swollen face. From this kind of "full-load" intensive training however, a group of "supermen" were born. Jiang Lin, nicknamed "Small Scorpion," wanted to join a reconnaissance unit, but he was not given the chance. Instead, he was assigned to an engineer company. However, his wish was fulfilled when, with excellent examination results, he was admitted into the special training corps. Jiang Lin, a fierce basketball player who can jump 1.5 m vertically, kept achieving enviable results after joining the special training program. He could run a 100-m hurdle race in 16.4 seconds; in physical combat he was one against four; and he achieved excellent shooting scores in nonregular light weapons such as pistols, rifles, submachine guns, and machine guns. There were many young men as able as Jiang Lin under "Captain Scorpion's" command.

Lasers, a new kind of military technology in training the force, were both mysterious and attractive to the soldiers. In real-life combat situations, the weapons carried by foot soldiers, and the guns in tanks and armored vehicles, were all fitted with laser devices. When an "enemy" is hit, the ammunition in his weapon is automatically reduced, and when he is hit in the vital parts, his smoke canister bursts and his guns are locked, depriving him of his combat power. If one is hit, the results are the same. In laser-weapon hostile drills, the amounts of ammunition for various weapons are distributed strictly according to requirements. Laser-weapon hostile drills are capable of simulating many battlefield

situations. The situation is lifelike, as if in a real battle. To grasp this new military techn. 3y, the soldiers entered into another battleground, class ooms, where the history of lasers, fundamental knowledge, and the capacities and ways to use lasesr were taught. Officers and soldiers roamed freely in a new world of science, and they could pick up their laurels in the hall of science.

A Real Contest

This was a true military exercise with lifelike battles, and was conducted for verification purposes. The "Red Army" and "Blue Army" engaged each other with no prior knowledge of their counterpart's tactical goals, force deployment, or combat maneuvers.

In a mountainous region in East China, two helicopters touched down, their propellers rotating at high speed, blowing up all the dust and rippling all the surrounding grass. The winds were blindingly strong and everything nearby became clouded and vague. Nine soldiers carrying different types of weapons darted to the helicopters, and within 9 seconds, both helicopters had taken off. This was the "Blue's" special covert operation group. They were flying deep into "Red" territory to carry out reconnaissance, disruption, attack, and sabotage operations. These covert operation groups launched their activities in "Red's" rear. They seized "Red's" weapons and installations, destroyed communications facilities, and attacked an artillery unit command. They also obtained some valuable information by eavesdropping on "Red" orderlies.

A "Red" regimental commander was surveying the terrain to his front in order to determine tactics. From his experience in previous military exercises, he felt sure he could expose himself in forward positions without any risks.

Ali a sudden, "Blue" forces appeared on a slope behind and made a lightning attack upon them. Several "Blue" tanks and armored vehicles charged forward and before "Red" forces had time to pull out, they were surrounded in a small basin. With all their small and large vehicles intercepted, "Red" forces' retreat was cut off. Making use of favorable terrain, and by launching a concentrated attack, "Blue" scored a victory in the first round—"Red" was caught unprepared and completely defenseless. It was then that the "Red" commanders came to feel deeply that these "Blue" forces was indeed different from past imaginary enemies. The "lightning tactics" of the simulated foreign army force were truly indomitable.

Defeated several times in a row, "Red" forces were eager for a comeback and made preparations for a large-scale counterattack. At dawn, "Red" forces had concentrated and, protected by heavy fog, sneaked up on the "Blue" positions in several detachments in an attempt to "wrap them all up." The enemy was positioned just across the field and they intended to "destroy" all of them. These "Red" forces were tough; they had fought in the Laoshan region in the defensive war against Vietnam and had

won many brilliant battles. But when the "Red" forces came to the "Blue" positions, not a "Blue" soldier was sighted. "Blue" had anticipated such a move by "Red," and had changed their deployment of forces to make their position more flexible. "Red" was in turn attacked by the "Blue" forces both in the front and rear. The "Red's" tactical plan did not achieve the desired result. When the military exercise was over, the commanders of the "Red" and "Blue" met and the "adversaries" shook hands in peace and chatted pleasantly. A "Red" commander remarked that fighting the simulated foreign army force was like fighting a real war. He had joined the service 17 years before, and of the 20 to 30 military exercises he had participated in, this one was the most trying.

The exercise is over, but this does not mean that the soldiers and officers of the simulated foreign army force can relax. They will fight in the wide and expansive world of military scientific knowledge, like eagles striving to reach for the sky. They will always be alert to any new trend in every local war in the world, like the forever vigilant hound. They are like octopuses, their tentacles reaching out in all directions of modern warfare....

Air Force Enrolls More Female Pilot Trainees

OW2508112789 Beijing XINHUA in English 0741 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—A new batch of women pilot trainees were recently enrolled in the Air Force of the Chinese People's Liberation Army, an Air Force officer said.

They were selected from the 1989 graduates of the senior middle schools in the provinces of Hebei, Shandong and Liaoning, the officer told XINHUA today.

This is the sixth group of female pilot trainees since 1951, the officer added.

They will receive 20-month basic training before entering the Air Force Academy.

Army Publishes Book on Party Style

OW 1908224189 Beijing XINHUA Domestic Service in Chinese 1208 GMT 15 Aug 89

[From the "Publication News in Brief"—"Local Broadcast News Service"]

[Text] Beijing, 15 Aug (XINHUA)—In order to educate the vast numbers of party members and cadres in rectifying party style and combating corruption, the Liberation Army Publishing House recently published a book, entitled "The Style and the Life of a Party." Guided by the basic theory of Marxism-Leninism-Mao Zedong Thought on party building, the book gives a scientific exposition on the relationship between a ruling party's style and its life in light of both positive and negative

experiences in party building by communist parties in China and other socialist countries.

Economic & Agricultural

Action Taken To Further Rectify Companies

Decision Outlined

OW2808054489 Beijing XINHUA Domestic Service in Chinese 1207 GMT 27 Aug 89

[Decision of the CPC Central Committee and the State Council on continuing to screen and consolidate companies; promulgated on 17 August 1989—"Local Broadcast News Service"]

[Text] Beijing, 27 Aug (XINHUA)—Since the CPC Central Committee and the State Council decided in October 1988 to screen and consolidate companies, all regions and departments have accomplished a great deal of work and achieved certain successes. However, we are far from achieving the anticipated results, owing to inadequate understanding of the formidability and complexity of the project; measures not being clearly defined or ineffective; hesitation; a wait-and-see attitude and sluggish movement on the part of some regions and departments; and interference from the recent upheavals and counterrevolutionary rebellion. To intensify and follow through with the efforts of screening and consolidating companies, the following decision has been made:

1. The guiding principle for continuing to screen and consolidate companies: Companies are a product of socialist commodity economic development and are indispensable economic organizations. The establishment and development of companies plays a positive role in promoting production, enlivening the market, and bringing about a booming economy. However, owing to a lack of resolution in recent years in enforcing the central authorities' decision that party and government organs are not permitted to do business or operate enterprises, and owing to the unscrupulous policy of encouraging government organs and institutions to "increase revenues," a large number of companies have been inappropriately set up within the sphere of circulation, even though the actual situation does not warrant it. This, plus imperfect laws and regulations and ineffective management and supervision, have resulted in the excessive establishment of companies. Some companies are poorly managed, some offer high salaries and handsome benefits—a practice incongurous with the situation in our country-and some people have abused their authority and engaged in corruption, theft, speculation, profiteering, and giving or receiving bribes. This has seriously interfered with our work to promote administrative cleanliness and establish a sound socialist economic order, exacerbated the problem of unfair social distribution, and affected social stability. To bring about sound development of the socialist planned commodity economy and ensure unhampered progress in reform,

opening up, and socialist modernization, we must seriously screen and consolidate companies and eliminate their problems. While this is an important aspect of improving the economic environment, rectifying the economic order, and deepening reform in all fields, it is also an important measure for resolutely wiping out corruption and inspiring the party and the nation. Not only is this an economic issue, it is also a political issue about which people throughout the country are concerned. Screening and consolidating companies absolutely does not mean that all companies are to be closed down, nor does it mean that the positive role played by companies in economic life will be ignored; it is for the purpose of dealing with the operational and developmental problems of companies and eliminating the current chaos so that our economy can be further enlivened and developed. Owing to the different responsibilities of various departments, the great differences between various trades and professions, and the very uneven economic development between regions, as well as the ongoing economic reform, the number of excessive companies differs in various areas. The seriousness of the problems is also different. The situation is therefore quite complex. During the process of screening and consolidating these companies, central state organs should set an example and take the lead in making the project a success. Guided by the general requirements of the party Central Committee and the State Council, and in the light of their own situation, all regions and departments must draw up specific, clearly defined, and effective measures, and do their jobs earnestly and responsibly. Leading authorities at all levels must be decisive. Their measures must be effective, their actions must be timely, their work must be effective, and they must make sure that they will not create any problems that may cause social instability.

2. The basic requirements for screening and consolidating companies: We should first firmly close down or merge the companies which the public does not need, which are redundant, which are not qualified to operate, or which have seriously violated the law. We should also close or merge companies which have been perenially mismanaged, are deficit-ridden, or are insolvent. The main objective is to close the companies which are operated by various party and government organs; the excessive companies engaged in wholesale business, foreign trade, or commodity supply in the sphere of circulation; and the financial companies. Second, we should, through screening and consolidating companies, earnestly handle all cases of lawlessness and lack of discipline, especially the major ones which have a great social impact and which involve county-level and higherranking cadres. Third, through screening and consolidating companies, we should gradually establish and improve various company administrative regulations and rules-especially the accounting, tax collecting, and auditing systems—so that our companies can develop soundly.

We should make every effort to accomplish the main part of the aforementioned projects by the end of March of next year. By the end of this year, we should have basically accomplished the work of closing down and merging the companies. We should continue with the unfinished portion and gradually codify into law the measures for managing and supervising companies.

3. Without exception, all party organs, state power organs, administrative organs, judicial organs, procuratorial organs, mass organizations, and social groups may not use their administrative budgets, operating budgets, special appropriated funds, nonbudgetary funds, bank loans, private funds, or funds raised by various means to set up companies, nor may they invest in companies and become their stockholders. The overwhelming majority of such existing companies, including those that have been financially dissociated with organs and organizations during the course of screening and consolidation. should be closed. The small number of companies which meet public needs and which are truly well operated may be retained, but they must fully dissociate themselves with their former associated organs or organizations, and they must all be managed by the relevant competent authorities. Leading groups in charge of screening and consolidating companies should present the management plans to party committees and governments at the same level for approval.

All cadres of party and state organs still assuming concurrent responsibilities in these companies (including those who have not yet had their retirement formalities completed although they no longer hold office in these organs) should resign from either one of their jobs strictly in accordance with the relevant regulations of the central authorities, and should not delay doing so under any excuse. Whoever delays under any excuse shall be penalized for violating party discipline or administrative regulations. When resigning from the concurrent posts in companies, they must properly hand over their offices to their successors. Personnel holding concurrent offices in foreign-funded enterprises shall be handled according to the "Circular of the General Offices of the CPC Central Committee and the State Council on Settling the Problems Concerning Party and State Organ Cadres Assuming Concurrent Offices in Companies (Enterprises)" (Circular No. 1 issued by the General Office of the CPC Central Committee in 1989). The implementation and supervision of this project shall be handled by organization departments of various party committees or personnel departments of various governments in accordance with their cadre management authority.

4. The situation of financial companies and companies engaging in wholesale business, foreign trade, and commodity supply in the sphere of circulation is particularly complex, so the screening and consolidation responsibilities there are particularly heavy. The relevant departments and regions must pay special attention to these companies and provide them stronger guidance. The Ministry of Commerce, the Ministry of Foreign Economic Relations and Trade, the Ministry of Materials, and the People's Bank of China should work as quickly as possible to draw up specific regulations, report them

to the State Council for approval, and implement them after they have been approved.

5. Companies engaging in production operations and scientific and technical development, or providing consultative or labor services must also be screened and consolidated. Such companies can only market the kinds of goods they manufacture, transfer their technology, and provide consultative and labor services. They may not engage in any commercial wholesale business not relevant to their own services. Those which meet public needs and are well managed should continue to improve their operations. Approval shall be granted for the establishment of more companies whenever necessary. Companies which are not qualified to operate, which are redundant, or which create additional but unnecessary links must be firmly closed. Those which must be retained should have the scope of their businesses reevaluated. Greater efforts must be made to supervise their financial accounting system.

Meanwhile, we must seriously screen the privately-funded enterprises set up in the name of state or collective companies, and strictly differentiate the nature of their ownership. All private enterprises set up with private investment or investment by partners may not be registered as state or collective enterprises. Violators as well as the organs which examined and approved their establishment shall have their responsibilities investigated.

6. Companies designated to be closed down or merged should first suspend their business so that the appropriate authorities may form liquidation organizations to take charge of liquidating their debts and assets. Withdrawing the capital or dividing up and squandering the assets are strictly prohibited. Issues concerning the liquidation of assets and placement of personnel shall be handled collectively with specific regulations drawn up by the Ministry of Finance, the People's Bank, the National Administration of State Property, the Ministry of Labor, and the Ministry of Personnel. Should any measure contravene another, the leading group in charge of screening and consolidating companies shall coordinate and adjudicate.

Companies designated to be closed or merged should not sign new contracts from the very day their closure or merger is approved; contracts already signed, especially those involving foreign companies, should continue to be carried out by the competent authorities which approved the contracts, or by other designated Chinese companies approved by the foreign side, so as to protect the foreign businessmen's interests.

Overall proper arrangements should be made for personnel of state-owned companies designated to be closed or more a. While screening and consolidating is required of the mpanies, closure and merger of a number of companies is needed, based on the overall situation, to eliminate the currently excessive number of companies and further facilitate the wholesome development of the

socialist commodity economy. It is necessary to implement the party's policy toward cadres in resettling personnel of companies to be closed or merged. They should not be mistrusted, still less be discriminated against.

- 7. It is necessary to seriously investigate and punish violations of law and discipline. Investigation should be based on facts, and punishment should be meted out according to the law. We should check companies and leading officials with problems, a task which should not be taken lightly. It is necessary to thoroughly investigate and handle, according to the law, serious and nasjor cases of power abuse and profiteering in major production means and durable consumer goods, especially by party and government organizations, leading cadres, and their immediate relatives, regardless of their position. To facilitate investigation of a unit which showed strong resistance and aroused strong popular resentment, a work team of the higher authorities should be sent out promptly to investigate cases through to the end. Embezzlers, bribe-takers, speculators, and profiteers who turn themselves in, confess their crimes, and take the initiative to return the illicit money and goods within the time limit set by state judicial and procuratorial departments will be exempted from or be given mitigated punishment according to the law; otherwise, they will be punished severely. We should expose and duly handle people who intercede for, shelter, or bend the law to protect criminals in the course of investigation.
- 8. In principle, from now on, government organs from the State Council down to the local governments at various levels should not be involved directly in the management of companies. Companies managed directly by governments will be supervised by their competent authorities in the various trades and professions.

Companies in general should not concurrently exercise government administrative and managerial functions. Existing companies which have not separated government administration from management should strictly separate managerial powers from government administration; those which find it difficult to do so immediately should gradually complete the separation in a planned manner. From now on, we should not set up companies which cannot separate government administration from company management.

9. Preferential treatment in tax reduction or exemption, bank loan interest rates, and the scope of management still in effect for cortain companies shall be abolished from the day this decision is transmitted. From now on, in granting necessary preferential treatment for certain companies, it is necessary to strictly observe the relevant state regulations and industrial policies; and no individual will be authorized to review and approve preferential treatment. The relevant functioning departments have the right to refuse to comply with preferential treatment approved by individual leaders without authorization.

- 10. It is necessary to gradually readjust the remuneration of company staff and workers. Following are the guidelines for readjustment: Companies performing certain government administrative functions authorized by the state should follow the wage, bonus, and labor security and welfare systems of state organs; state-owned companies performing mainly managerial and concurrently partial government administrative functions should follow the relevant systems of state enterprises of the same category; and other state and collectively-owned companies should follow the relevant systems of state and collectively-owned enterprises of the same category. It is necessary to instruct the Labor and Finance Ministries to work out specific regulations based on these guidelines as soon as possible.
- 11. It is necessary to instruct the State Council's Bureau of Legislative Affairs and other competent authorities to step up efforts to further formulate and improve corresponding laws and statutes. Drafting of the rules and regulations concerning company management should be completed before the end of this year and submitted to the State Council for examination and promulgation. At the same time, it is necessary to speed up the formulation of the "company law."
- 12. During the period of screening and consolidation, applications for establishing new companies shall not be accepted, except for those of the productive type and those for scientific and to innological development. Companies which, after screening and consolidation, may continue operations must clearly define the scope of their businesses strictly according to the relevant policies and laws, and complete reregistration for the issuance of new licenses during the annual inspection of industry and commerce, in order to ensure that their business activities are conducted according to the law. The administration of industry and commerce as well as finance, tax, banking, auditing, and supervisory departments should effectively strengthen their administrative supervision and guidance over all kinds of companies.

From now on, we should strictly examine and approve, according to the law, applications for establishing new companies, especially those engaging in commercial wholesale, foreign trade, material supply, and banking service. No individuals or unauthorized units should interfere in examining applications and granting approval to new companies as well as in their registration. The examining authorities have the right to reject any application approved by individual feaders.

13. It is necessary to fully mobilize and closely rely on the masses in bringing into vigorous play and strengthening the role of crime-reporting centers at all levels. We should encourage people from various quarters, including deputies to people's congresses, Chinese People's Political Consultative Conference members, and members of democratic parties, to take part in the work of screening and consolidating companies. We should also give play to the role of mass media in providing

timely reports on the progress in screening and consolidating companies in various localities and departments, on results in investigating cases of violations of law and discipline, and on problems encountered in the course of screening and consolidation, thereby intensifying supervision through public opinion to facilitate the smooth progress of screening and consolidating companies.

14. Party organizations and governments at various levels and all departments should earnestly implement the guidelines of the 4th Plenary Session of the 13th CPC Central Committee, strengthen organizational leadership, and regard the screening and consolidation work as an important item on the agenda. Principal leaders should personally attend to the work, while all departments concerned should go all out to cooperate closely in overcoming interference and resistance and in fulfilling the various tasks in further screening and consolidating companies. It is necessary to guard against formalism and perfunctoriness.

The CPC Central Committee and the State Council have set up a national leading group on screening and consolidating companies, with the office of the leading group being under the State Council. The Central Committee and the State Council have decided to strengthen and expand the staff of this office. All localities and departments should also strengthen and expand their leading organs and offices.

All provincial governors (autonomous regional chairmen and municipal mayors) and ministers should see to it that the various tasks of screening and consolidating companies are carried out in a down-to-earth manner.

15. All local governments and departments should report the results of screening and consolidating companies to the CPC Central Committee and the State Council by the end of April 1990.

Specific regulations for further screening and consolidating Army-run companies shall be worked out by the Central Military Commission, based on the guidelines of this decision.

This decision will take precedence over the relevant regulations issued previously by the CPC Central Committee, the State Council, and the competent authorities, whenever such regulations contradict the decision. All local governments and departments should earnestly reexamine companies already designated to continue operations and allowed to reregister before this decision is issued.

Leaders' Relatives Quit Companies

OW2708005989 Beijing XINHUA in English 0032 GMT 27 Aug 89

[Text] Beijing, August 27 (XINHUA)—By Saturday, the children and spouses of China's leaders had all left their jobs in trading companies, according to the Organization Department of the Chinese Communist Party Central Committee.

The leaders include the members of the Political Bureau and Secretariat of the party Central Committee and of the Executive Committee of the State Council.

This is a result of implementing a decision by the party Central Committee and the State Council to accomplish several tasks of great concern to the people in the near future.

The decision made at a plenary meeting of the Central Committee's Political Bureau late last month stipulates that children of senior officials are forbidden to engage in commercial activities.

The decision said the children and spouses of members of the Political Bureau and Secretariat of the party Central Committee and Executive Committee of the State Council are not allowed to engage in commerce or assume posts in trading companies, and those who are holding such posts must give them up before September 1 of this year.

Official Predicts Rough Going in Trade

OW2508140189 Beijing XINHUA in English 1145 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—China's export earnings this year had reached 24.431 billion U.S. dollars by August 10. This was only 0.6 percent more than in the same period last year.

Today's "ECONOMIC DAILY" quoted an official from the Ministry of Foreign Economic Relations and Trade as saying that this was recorded during a period when the country was suffering from a shortage of raw materials and in the aftermath of the recent social unrest.

Yet a severe test still awaits the country's foreign trade in the coming four months, he warned.

First of all, the soaring prices of raw materials have resulted in rising retail prices.

A shortage of funds and limited loans also hamper the development of foreign trade businesses.

The deterioration in product quality and contract fulfilment have severly damaged the country's business reputation.

The "economic sanctions" imposed by some Western countries on the country have also had a bad influence on the development of foreign trade, the official added.

New Measures To Ensure Export Quality Control HK2508084189 Beijing ZHONGGUO XINWEN SHE in Chinese 1346 GMT 21 Aug 89

[Report: "China's Ministry of Economic Relations and Trade Will Take Measures To Improve the Deteriorating Quality of Export Products"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 21 Aug (ZHONGGUO XINWEN SHE)—The deteriorating quality of export products and

the falling rate of honored contracts in recent years has marred China's reputation in foreign trade.

According to statistics, in the first half of this year, the commodity inspection organs found that 4.6 percent of the 340,000 groups of export commodities, with a value of \$8.8 billion, were below standard.

In recent years, the fact that some foreign trade firms have been unable to carry out their contracts with overseas firms within the stipulated periods has led to a marked fall in the rate of honored contracts.

Zheng Tuobin, minister of foreign economic relations and trade, said today that during the past 2 years, some foreign trade enterprises and supplying units have, for one reason or another, frequently neglected the quality of commodities, disregarded contracts, and broken promises. There are even the unprecedentedly serious problems of adulterating or faking export commodities. This has continuously lowered China's foreign trade reputation and seriously hampered the development of export trade.

As this reporter has learned, serious adulteration and faking of export commodities, such as cashmere, sesame, bone meal, and mushrooms, have caused a lot of grievances among foreign businessmen.

Although unqualified commodities account for only a fairly small proportion of the total, this development trend has drawn the close attention of the State Council and the departments concerned. A special meeting was held today by the Ministry of Foreign Relations and Trade to reaffirm the importance of carrying out contracts, keeping promises, and safeguarding our foreign trade reputation. The departments which export fake and shoddy commodities should be sternly dealt with and held !egally accountable.

The Ministry of Foreign Economic Relations and Trade is drafting the "Regulations on Strictly Prohibiting the Export of Fake and Poor-Quality Commodities" and the "Regulations on Strengthening Control Over the Implementation of Export Contracts," in order to effectively reverse the abnormal situation described.

Factionalism Threatens Economic Reforms

HK2508023189 Hong Kong HONGKONG STANDARD (CH1NA TODAY SUPPLEMENT) in English 25 Aug 89 p 2

[By Fan Cheuk-wan, Tammy Tam, and Cheung Po-ling]

[Text] The threat to the future direction and of China's economic reforms and open door policies follows the deposing of former reformist party chief Zhao Ziyang in the wake of the military crackdown on the prodemocracy student protesters.

Although the fourth plenary session of the 13th Central Committee in late June reaffirmed the open and reformist policies decided by the 13th Party Congress, inconsistencies in implementation have emerged.

This has sparked persistent speculation during the last two months of a major setback to the 10 years of economic reform.

As demonstrated by the fierce nationwide propaganda campaign against Mr Zhao's advocation of privatisation of the economy and tolerance to "bourgeois liberalisation", the hard-line leaders are keen to eliminate Mr Zhao's "erroneous influence" both in the political and economic sector.

However, informed Chinese sources said paramount leader Deng Xiaoping had stood up to defend the progressive reform policies advocated during Mr Zhao's era.

Mr Deng, the architect of the 10 years of economic reform and the patriarch behind Mr Zhao's policy guidelines, even called for broader open door policies and economic reforms in future.

"There is a hidden and subtle tug of war going on within the top leadership over the direction of the economic reforms," the source said.

"While the State Council headed by Li Peng and Yao Yilin is keen to widen the austerity programmes to curb inflation and the overheated economy, Jiang Zemin (Communist Party General Secretary) has been instructed by Deng to broaden the open door policy," the source added.

"Shortly after the fourth plenary session of the 13th Central Committee, the central government approved several major reform-oriented projects in a grand show to demonstrate its dedication to the open door policy," the source said.

The State Council has approved Fujian Province setting up several "Taiwan Development Zones", among them the Putian Taiwan Development Zone was even allowed to circulate different currencies.

The controversial Yangpu Port development project in Hainan Island and the establishment of stock markets in Shanghai and Shenzhen were also approved by central government after the June 3-4 incidents.

Tianjin also agreed to transfer land use rights of 5.3 square kilometres to a U.S. company for 70 years earlier this month.

Guangzhou will become the nationwide pioneer in launching an open sale in Hong Kong next month of its state-owned enterprises.

Dr Thomas Chan Man-hung, a researcher at the Centre for Asian Studies at Hong Kong University, said these "big shows" would exert negative effects on the success of current austerity programmes. "These reform-oriented proposals put forward by individual provinces and cities do not take the overall national interest into account," he said.

Dr Chan said Mr Deng advocated such reform-oriented proposals in order to show the world that these policies would not change in China in spite of Mr Zhao's downfall.

"But these proposals will undermine the effects and disturb the on-going adjustment to the national econonny," he said.

Hard-line Premier Li Peng ruled out the possibility that China would turn its economy—which is based on public owner-ship—completely into a market-based economy during his address to a U.S. banker on Tuesday.

He reaffirmed that over-emphasis on a market economy would not work in China, where many commodities were in short supply.

"A complete market economy will lead to inflation and economic instability in China. Excessive accumulation and consumption may bring about a temporary, superficial prosperity but it cannot last long," he said.

Mr Li apparently criticised the radical capitalist-style economic reforms advocated by Mr Zhao, and the reformist wing's excessive emphasis on free markets.

Several salient policies advocated during Mr Zhao's era have come under fire since the important plenary session in late June.

Official sources in Guangdong said the State Council recently decided to scrap the development priority given to the coastal areas and would put more emphasis on the development of strategic industries.

The coastal development strategy, once a trump card of Mr Zhao's open door policy to integrate the Chinese economy with international markets, will be readjusted with a substantial degree of autonomy being returned to central authorities.

"The State Council has decided to centralise control over the foreign trade system. From now on-wards, the import export rights of the local authorities will be grabbed back by the central ministry," the source said.

"More emphasis is to be given to the balance development of the whole country, especially giving priority to development of strategic industries like power and energy and natural resources manufacturing," the source said.

The State Council has also devised a clean-up campaign to close down inefficient private enterprises, and rural and township enterprises, which have competed for insufficient raw materials and energy with collectives and state-owned enterprises. Chinese sources said a large number of private, rural and township enterprises would also be closed down during the continuing anti-corruption campaign.

Development of the private economy and rural and township enterprises was strongly advocated by Mr Zhao as an effective means to absorb the surplus labour force from the countryside.

"The State Council will adopt stern policies to end the current anarchic situation in the national economy. Since private business has been found linked to profiteering activities and major irregularities in the economy, it is a major target in the rectification campaign," the source said.

"The government will further tighten credit to the private enterprises and rural and township enterprises," the source said.

It is expected that the coastal areas, in particular the southern Guangdong province, will be most affected by this readjustment of the development strategy.

Guangdong governor, Mr Ye Xuanping, earlier this month led a delegation to meet Mr Li in Beijing to discuss the future development of the province.

Guangdong, the richest province in the country, requested more guarantees from central government to protect its existing privileges.

Analysts expected local authorities to oppose the State Council's readjustment of the economy and that would try to win support from Mr Deng to strive for broader privileges.

Mr Yang Zhenhan, president of the China-funded Southeast Economic Information Central Ltd, said it was a practical problem that the local authorities would oppose to the re-centralisation programme of government.

But Mr Yang said the re-centralisation drive should not be connected to a setback in the reform.

"The most urgent problem facing China now is not the question of opening and reform. Even with the open door policy and the reforms, many problems still prevail in the country," he said.

"When the pace of the marketisation has increased too quickly, which makes central government lose control over the economy, the only choice for the government is to restore a necessary degree of central command," he said.

Minister on Better Supply, Demand Balance

OW2508130489 Beijing XINHUA in English 1224 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—The imbalance in the supply and demand of daily necessities has been easing since the beginning of this year, and signs of a buyer's market have appeared for consumer goods, said an official from the Ministry of Light Industry.

The official said that price hikes have slowed and last year's panic buying has not been repeated this year.

Light industrial goods no longer have a ready market as they did several months ago. Statistics from the Ministry of Commerce reveal that the country's retail sales totaled 411.9 billion yuan by the end of June. After adjusting for price hikes, this represents a drop of 5.8 percent over the same period last year.

Sales of 21 major light industrial goods have declined over the past few months. Enamelware and aluminum goods which had been in short supply are not selling well now. Durable goods, especially household electric appliances, have experienced a sharp drop in demand.

Sales of refrigerators, the "king of electric appliances," fell by 9.2 percent during the first half of the year. Washing machine sales were off by 24.1 percent. Electric fans fell 15.2 percent and bicycles 13.2 percent.

Light industry enterprises are picking up bigger inventories which are tying up a lot of the funds. Gong Zhaorong, director of the Production Department of the ministry, attributed the sagging market to the fact that the public is no longer worried about inflation and many people have already made major purchases during last year's panic buying. Gong also said that because of the increased interest rate on savings deposits, there has been a rapid growth of savings in both urban and rural areas, contributing to the decline in consumption.

Prices of some goods are still increasing rapidly, another factor cooling demand, and the country's policy of strictly curbing institutional consumption has also contributed to the shrinking demand, according to Gong.

According to statistics from the ministry, China's light industry output value grew 10.6 percent compared in the first half of this year, a five percent decline in the rate of increase.

To alleviate the situation, the Ministry of Light Industry has decided to adjust the present product mix according to market demands, practise strict economy and increase exports.

The Ministry of Commerce is predicting market demand will rise a bit in the second half.

Enterprises Fund Own Research, Development

HK2408083589 Beijing CHINA DAILY in English 24 Aug 89 p 1

[By staff reporter Qin Xiaoli]

[Text] The country's economic reform has enabled China's leading enterprises to build up their own sources of funding for technical improvements and new products, thereby freeing themselves from the limits of government investment for that purpose.

"Factories now pay for 90 percent of costs needed for developing new products, compared with 82.2 percent in 1984," said Wang Chao-quan, senior engineer and deputy division chief of the Department of Science and Technology of the State Planning Commission.

Government money accounted for only 8.4 percent of the 12.44 billion yuan used last year on technology development in the country's more than ten thousand large and medium sized factories, according to figures from the State Statistics Bureau.

Wang said that a survey carried out by the department in 1984 showed that projects financed from a factory's own pocket coupled with borrowed cash achieved the best economic results while those financed by the government were the least efficient.

"The reason for that is simple," he explained. "When a factory decided to use its own money to develop a new product or a new technique, it would make an overall plan that ended up in a profit. If they used loans, they wanted to pay as little interest as possible and hence speeded up the development.

"Government money usually goes to key projects sponsored by the government but these funds usually cove. only research. It doesn't cover the cost of putting the product into mass production and marketing it," Wang said. "Factories would then have to get more money from different government sources for building or altering production lines for mass production and would need the help of the government to market the new product."

Wang said the State encourages factories to take the initiative in technology investment. In 1988, China's 10,738 big and medium sized factories spent 6.4 billion yuan in technology development, up 51.1 percent on the previous year; borrowed 4.2 billion yuan, up 11.2 percent; and used 1 billion yuan of government money, up 0.4 percent.

As a result, new products mushroomed. Last year, production of new products reached a record of 62.24 billion yuan.

The factories involved employed 1.58 million engineers and technicians last year.

Product Quality Inspection Results Announced

OW2408050989 Beijing XINHUA in English 0105 GMT 24 Aug 89

[Text] Beijing, August 24 (XINHUA)—The results of a quality inspection conducted on over 50 varieties of products show that 76.7 percent of them meet the state-set quality requirements.

According to the State Bureau of Technical Supervision, a number of enterprises have become quality-reliable in the past years. But, some are still turning out low-quality and bogus products.

Among the canned aquatic products surveyed, only 50 percent were found to be up to standard. Three kinds of pesticides were found to be only 59.3 percent up to standard. These pesticides are mostly produced by rural enterprises.

In addition, only 54.2 percent of the air-conditioners and 33.3 percent of the fire engines inspected were found up to standard.

However, some 90 percent of the electrolytic copper, single-face printed circuits for black-and-white TV sets, agricultural ammonium carbonate, synthetic textiles and cement were up to standard.

State Plans Five Types of Economic Zones

HK2508115189 Beijing CEI Database in English 1021 GMT 25 Aug 89

[Text] Beijing (CEI)—China is planning and rectifying its economic distribution for 30 provinces, autonomous regions and municipalities directly under the central government to establish economic zones of five types.

The processing economic zone includes Beijing, Tianjin and Shanghai as well as Hubei and Liaoning Provinces.

The dominant processing economic zone includes Jiangsu, Zhejiang, Fujian and Guangdong Provinces, and Guangxi Zhuang Autonomous Region.

The leading resources development economic zone includes Shanxi, Jiangxi, Guizhou, Qinghai, Gansu and Yunnan Provinces, as well as the Inner Mongolia and the Ningxia Hui Autonomous Regions.

The mixed resources development and processing economic zone includes Shandong, Shaanxi, Sichuan, Hunan, Anhui, Heilongjiang, Jilin, Hebei and Henan provinces.

The special economic zone includes the Xinjiang Uygur and Tibet Autonom ous Regions and Hainan Province.

Consumption Level Drops for Urban Residents

HK2408102989 Beijing CEI Database in English 0907 GMT 24 Aug 89

[Text] Beijing (CEI)—Both the income and expenditure of the Chinese urban residents have dropped after adjustment to the price rises in the first half of this year.

A sample survey conducted by the State Statistical Bureau among over 30,000 city households shows that from January to June this year, monthly income of city residents was 102.85 yuan per capita, a 21.8 percent increase over the same period last year, but considering the price rises, the actual income dropped by 2.6 percent;

and expenditure of the urban people was 102.64 yuan per capita in the period, up 23.1 percent over the same period last year, but after deductions from the price rises, the expenditure went down by 1.6 percent.

The survey shows family incomes in Chinese cities are becoming diversified along with the rise of a variety of economic activities and varied ways of distribution, and the ratio of salary has come down in residents' incomes. Statistics indicate that monthly bonus income per capita was 17.61 yuan in the first half of 1989, up 30.1 percent over the same period of last year. The ratio of bonuses and subsidies to salary incomes rose from 20.3 and 12.2 percent respectively to 22.7 and 13.2 percent.

The survey indicates that expenditure of urban people on food, clothes and daily-used articles dropped to varing degrees due to the policy of tightening of the economy.

Statistics show that city residents' spendings on food dropped by 1.6 percent per capita after adjustment to price rises; expenditure on clothes actually went down by 10.2 percent.

City dwellers' outlay on daily necessities in the first six months dropped by 2.8 percent compared with the corresponding period of last year, presenting a sharp contrast to the rush buying in the past.

Grain consumption of city residents was the same as that in the corresponding period of last year, while the consumption of edible oil, pork, beef, mutton, poultry and fish dropped in varying degrees.

Expenditure on cloth slumped compared with last year with that on cotton cloth falling the most sharply, by 33.5 percent.

According to the survey, urban people's money spent on color TV sets, electric fans, washing machines, cassette tape recorders and cameras also decreased.

Housing for Urban Residents Improves Markedly

OW2508083989 Beijing XINHUA in English 0650 GMT 25 Aug 89

[Text] Jinan, August 25 (XINHUA)—The housing of urban people in China has improved markedly in recent years, according to an official of the Ministry of Construction.

Between 1979 and 1988 a total of 218.7 billion yuan was invested in construction of urban dwelling houses with a total floor space of 1.24 billion sq m throughout the country.

The investment accounts for 85.6 percent of the country's total investment on such projects in all the years since the founding of New China in 1949. Meanwhile, the floor space of the newly built houses is equivalent to 70 percent of the country's total built since 1949.

By the end of 1988, per capita floor space of dwelling houses in urban areas had reached 6.3 sq m.

Because of the rapid expansion of the population as well as the unevenness in distribution of the housing, however, about 25 percent of urban families still have housing problems, the official said.

Economic Gap Widens in Minority Areas

OW2508141689 Beijing XINHUA in English 0726 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—The economy and living standards of areas inhabited by ethnic minorities have developed rapidly over the past four decades. But, the gap between those areas and other parts of China has been widened, the "PEOPLE'S DAILY" reported here today.

The paper reported that the industrial and agricultural output value in those areas in 1987 increased 18 times over that in 1949, and retail sales jumped 54 times, indicating a remarkable improvement in people's living standards.

However, the average industrial and agricultural output value for minority nationalities is only 47.9 percent of the national per capita average; the average retail sales value, 69.2 percent; and the grain output per ha, 967 kg lower than the national average.

Economists at a recent seminar in Hunan Province suggested the following measures to narrow the gap:

- —developing the commodity economy through reform and opening to the outside world. All enterprises, including industrial, agricultural, animal husbandry, commercial, and service firms, should upgrade technology, improve management and product quality and better economic returns;
- instituting more flexible and preferential policies to promote economic development in minority areas;
- —tapping the potential of rich natural resources in those areas; and
- —developing education, training more personnel of minority nationalities, and improving the scientific and technological levels in those areas.

Statistics Show Farmers' Exodus to Enterprises

OW2408224089 Beijing XINHUA in English 0828 GMT 24 Aug 89

[Text] Beijing, August 24 (XINHUA)—Over the past 11 years about 67 million farmers have quit farming and joined in 18 million rural enterprises.

Figures from the State Statistics Bureau show that the rural fownship enterprises' income net growth value

accounted for nearly half of the national gross income net growth value from agriculture in 1988.

The township enterprises also invested 13.6 billion yuan in agriculture over the past 10 years, making up 33 percent of the state's investment in rural capital construction.

In Wuxi County, Jiangsu Province, 34 of the 35 township enterprises have an annual output value of over 100 million yuan.

In the past two years 1,550 rural enterprises have developed 240 kinds of new products in co-operation with scientific and technological research institutes, achieving an output value of 2.8 billion yuan. Among them, 16 have won gold, silver and other prizes at international level.

Rural enterprises have also turned over 83 billion yuan in taxes to the state in the past 10 years. In 1988 alone, rural township enterprises handed in 17.6 billion yuan in taxes, accounting for 58 percent of the total turned over by peasants.

Theft, Damage of Communication Lines Increase

OW2408060589 Beijing XINHUA Domestic Service in Chinese 1402 GMT 22 Aug 89

[By reporter Li Mei-"Local Broadcast News Service"]

[Text] Beijing, 22 Aug (XINHUA)—Since the beginning of this year, cases of theft and damage of communication lines have increased tremendously, seriously threatening the safety and unimpeded flow of communications in China. Communications in some localities have been paralyzed. The Ministry of Posts and Telecommunications, the Supreme People's Procuratorate, the Supreme People's Court, and the Ministry of Public Security today jointly convened a telephone conference, calling on public security organs and post and telecommunications security departments in all localities to mobilize forces and severely crack down on and punish criminals who damage communication lines.

According to incomplete statistics, during the first half of this year, 1,674 cases of damage to communication lines were reported nationwide, a threefold increase compared with the same period last year. Over 1.44 million meters of wire and cable and 668 wire poles were stolen, causing a direct economic loss of 4.44 million yuan. This is nearly five times that during the same period last year. The damage to communication lines often causes the breakdown of communications in a province, a large area, or even with foreign countries, and seriously interferes with normal activities and life in society, causing great economic losses.

East Region

Anhui Propaganda Department Leaders End Meeting

OW2508125789 Hefei Anhui Provincial Service in Mandarin 1100 GMT 13 Aug 89

[Excerpt] The meeting of all propaganda department directors in the province ended yesterday. With the approval of the provincial party committee, the meeting was held in Hefei from 8 to 12 August. The purpose of the meeting was to convey, and implement, the guidelines of the National Conference of Propaganda Directors, further unify thinking on the basis of the documents of the 4th Plenary Session of the 13th CPC Central Committee and the recent important speeches by Comrade Deng Xiaoping, and make arrangements for the current propaganda and ideological work in the province.

All comrades attending the meeting feel that, after the meeting, they had come to a better understanding of the fact that the documents of the 4th Plenary Session of the 13th CPC Central Committee and Comrade Deng Xiaoping's recent important speeches are not only programmatic documents for the whole party to unify thinking and use as guide in doing its work, but also the guiding thought which must be followed by all of us who are handling propaganda and ideological work; a better understanding of the position and role of the party's propaganda and ideological work in the drive for socialist modernization; and a better understanding of the main tasks facing the propaganda and ideological front now and in the future. They have realized both the arduous task and the many favorable conditions for propaganda and ideological work. This has strengthened their confidence and lifted their spirits. They are determined to seize the current opportune time and ride the tide to do a good job in carrying out the party's propaganda and ideological work by acting in accordance with the guidelines of the 4th Plenary Session of the 13th CPC Central Committee. They will make sure socialist ideology prevails in the ideological sphere. They will make positive contributions in consolidating the situation, developing the economy, deepening reform, and cracking down on corruption, as well as promoting party building, spiritual civilization, and democracy, and the legal system.

Niu Xiaomei, member of the Standing Committee and director of the Propaganda Department of the provincial party committee, delivered the closing speech. It was entitled "Conscientiously Study the CPC Central Committee Circular on Improving Propaganda and Ideological Work, Actively Implement the Guidelines of the National Conference of Propaganda Department Directors, and Strive To Do Well in Propaganda and ideological Work." He said: The party Central Committee's circular on improving propaganda and ideological work is the first important document on propaganda and ideological work issued by the party Central Committee since the 3d Plenary Session of the 11th CPC Central Committee stressing the central idea of upholding the

four cardinal principles and opposing bourgeois liberalization. It is a major document, aimed at correcting the serious mistakes of party work in the past 10 years, summing up the painful historical experience and lessons, and effectively giving scope to the political advantage of our party. Hence, it is also an important document having has a bearing on the future development of the cause of our party. The circular is of great (?political) significance to current and future propaganda and ideological work. It serves as a practical guide, not only to current, but also future, propaganda work, and not only to propaganda operations, but also to party building and to promoting spiritual civilization, democracy, and the legal system. It shows the correct orientation and the future prospects for us in stepping up propaganda and ideological work in the course of the drive for the four modernizations and the implementation of the reform and open policy.

Comrade Niu Xiaomei said: The time is very favorable now for us to promote propaganda and ideological work. However, we should also realize that we are still facing a grim situation, and our tasks are very heavy and difficult. The task of primary importance on the propaganda and ideological front is to make further efforts to organize a study of the documents of the 4th Plenary Session of the 13th CPC Central Committee, Comrade Deng Xiaoping's important speeches, and the circular of the party Central Committee to really unify the people's thinking on the basis of the guidelines of the 4th Plenary Session of the 13th CPC Central Committee. We should, on the basis of the actual thinking in the minds of the cadres and the people, clear all their muddleheaded ideas on the key issues and raise their understanding accordingly. We should see to it that, by hard study, everyone will fully understand the correctness and great significance of the major decisions on organization adopted by the 4th Plenary Session of the 13th CPC Central Committee; fully understand the domestic and international background of the recent storm, as well as its nature and cause, and the correctness and need for the measures taken by the central authorities to stop the turmoil and quell the rebellion; and fully understand the serious nature of this political struggle and the need to uphold the four cardinal principles and carry out the reform and open policy, the danger that the international monopolistic, capitalist class is vainly attempting to subvert socialist China through peaceful evolution, and the protracted and arduous nature of the efforts to oppose bourgeois liberalization. To deepen the study, it is necessary to carry it out realistically and thoughtfully, so that the study will be closely combined with this political struggle and there will be an impetus on various fronts to straighten out thinking, adhere to the correct political orientation, and deepen the development of the investigation and screening work. Furthermore, it is also necessary to take measures for a thoroughgoing ideological reform by carrying out in-depth theoretical criticisms to

gradually correct the ideological and theoretical confusion caused by bourgeois liberalization, and help the people draw distinctions between right and wrong theoretically.

Comrade Niu Xiaomei said: One of our major needs in stepping up and transforming propaganda and ideological work is to have a clear understanding of the guiding thought and adhere to the correct political orientation. We should carry out conscientious study. We should seriously review our past in light of the struggle on the propaganda and ideological front in recent years and the lessons we have learned from the turmoil. One extraordinarily important lesson we have learned in recent years is that we should not separate the reform and open policy from the four cardinal principles, or set one against the other. Since we have very little knowledge of, and have failed to be sufficiently vigilant against, the complex nature of the international struggle under the circumstance of detente and the long attempt of the West to realize a peaceful evolution and ideological penetration through every means, the media in particular, we have therefore neglected the acute struggle existing in this respect. In view of this lesson, the whole party must continue to resolutely implement the line, principles, and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee, and carry out in a comprehensive, correct, and consistent manner the party's basic line, a line which is centered on economic construction and calls for adhering to the four cardinal principles and persisting in the reform and open policy. It is imperative to make it known to the public with a clear-cut stand that the four cardinal principles represent the basis of our work in all fields, that the reform and open policy is to be carried out by adhering to the four cardinal principles, and that the reform and open policy adds a new content to the four cardinal principles.

Comrade Niu Xiaomei emphasized that leading cadres at all levels on the propaganda front should have a clear understanding of their political responsibilities. They must oppose bourgeois liberalization with a firm and clear-cut stand, and seriously follow the policy to unite with still more comrades for them to enthusiastically plunge into this struggle. This unity must be built on the foundation of the ability to distinguish between right and wrong. Leading cadres should consciously sum up experiences and lessons learned, and show courage to carry out criticism and self-criticism in combination with reality. Only in this way will they be able to win the power of leadership in implementing the guidelines of the 4th Plenary Session of the 13th CPC Central Committee. In the face of heavy and arduous propaganda tasks, we must step up investigation and study, persist in seeking truth from facts, take the mass line by unswervingly trusting and relying on the people, and make a comprehensive and meticulous plan for the current work in order for the propaganda and ideological work in the whole province to advance with big strides. [passage omitted]

Anhui Tax Office Urges NPC Deputy's Recall

OW2708015789 Beijing Domestic Service in Mandarin 2130 GMT 26 Aug 89

[From the "News and Press Review" program]

[Text] In connection with a case involving Zhu Chengyou, a deputy to the Seventh National People's Congress [NPC] who evaded and refused to pay tax and assaulted tax officials, the Anhui Provincial Tax Bureau wrote a letter to the provincial People's Congress Standing Committee on 8 August, urging that Zhu Chengyou be recalled from his position as an NPC deputy.

Zhu Chengyou also is the manager of (Chengyou) Trading and Transportation Company in (Banta) Township in Laian County, Anhui. The company has not declared its income nor paid taxes on its business earnings since 1985 in complete disregard of the law. The company evaded tax payments by reusing and forging receipts and thus failing to keep an accurate accounting of its business income. The company is estimated to have evaded tax payments totaling some 212,328 yuan between 1985 and 1987.

The local tax authorities repeatedly urged Zhu Chengyou to pay the taxes. Turning a deaf ear to the order to submit tax payment materials, Zhu Chengyou used all kinds of pretexts to avoid paying his taxes. What is even worse, when (Wei Yongan), deputy head of the township tax office, visited the company on 5 August to deliver to Zhu Chengyou a legal notification to pay taxes, Zhu not only refused to sign his name to the notification, he also verbally abused the tax official. He then told his son (Zhu Xianbao) and other people to assault (Wei Youngan), who was seriously injured in the attack.

All of this has had a very bad influence on the local residents. Some residents even began to refuse to pay taxes, which at one point brought the township's tax collection work to a standstill.

According to reports, the relevant departments have launched a serious investigation into the case of Zhu Chengyou's assault on the tax official.

Jiangsu Leaders Hear Beijing Riot Report

OW2508121989 Nanjing XINHUA RIBAO in Chinese 17 Aug 89 p.1

[By reporters Liu Donggen (0491 2639 5087) and Liu Shoutong (0491 1108 2717]

[Text] The first report meeting by the No 5 Report Group on heroic deeds during the quelling of the recent counterrevolutionary riot was held in Nanjing yesterday. Attending the report meeting were Du Ping, member of the Central Advisory Commission and leading comrades of the Nanjing Military District Xiang Shouzhi and Fu Quiqing, as well as responsible comrades of various leading organs of the Nanjing Military District and the

Jiangsu Provincial Military Command Hong Jiade and Zhang Zhaoxura; and leading comrades of the provincial party committee, the provincial Advisory Commission, the provincial People's Congress Standing Committee, the provincial government, the provincial CPPCC Committee, the provincial Discipline Inspection Commission, the Nanjing City party committee and the Nanjing City government Han Peixin, Chen Huanyou, Deng Hongxun, Sun Jiazheng, Cao Hongming, Gu Hao, Liu Lin, Li Zhizhong, Zhang Yaohwa, Luo Yunlai, Cai Keming, and Dai Shunzhi.

From 0800, some 3,000 officers and men of the PLA units, and members of the military academies, Armed Police Forces, public security forces in Nanjing, cadres of the provincial-level government organs who are party members entered the Great Hall of the People in Nanjing. At 0830, when Deputy Secretary Sun Jiazheng of the provincial party committee, who presided over the meeting, announced the opening of the report meeting, warm applause burst out in the hall. To the music of a middle school brass band, the members of the Young Pioneers offered bouquets to the comrades of the report group. The bouquets showed the respects of the people in Jiangsu to the heroes and model soldiers.

At the meeting, Colonel Wang Ze, head of the No 5 Report Group, and deputy political commissar of a certain martial law enforcement unit, made a comprehensive report, entitled: "The Spirit of the Guardians of the Republic will Radiate Forever." Major Zhang Guicheng, political instructor of a certain martial law enforcement battalion, to which "Guardian of the Republic" Wang Qifu and another five martyrs belonged, introduced the heroic deeds of the "six martyrs." "Guardian of the Republic" and squad leader of a martial law enforcement PLA unit, Corporal Yu Aijun described how he dashed ahead, regardless of his own safety, to save his comrades-in-arms, and how he rushed to Tiananmen Square to perform his duties after his right eye was injured. Wang Shiwen, party committee secretary of the Beijing Tongren Hospital, described how hospital medical workers and staff members rescued the wounded and saved guns and ammunition, and how the hearts of the people and the soldiers are linked together. Lieutenant Colonel Li Lin, deputy political commissar of the 5th Detachment under the Beijing Armed Police Command and winner of the Collective Merit Service Award, First Class; and Gao Kefen, deputy head of the Yongwai Police Substation of the Chongwen Police Station in Beijing, described how the antiriot team of the 5th Detachment helped quell the riot and how public security police cadres saved the officers and men, protected the military vehicles, and arrested the ruffians. The vivid reports by the aforementioned comrades gave the audience a profound education on socialism, patriotism, and revolutionary heroism. Thunderous applause burst out in the hall from time to time.

General Xiang Shouzhi, commander of the Nanjing Military District, and Han Peixin, secretary of the Jiangsu provincial party committee, made speeches at the meeting.

In his speech, Xiang Shouzhi said: At a time when we have scored a decisive victory in quelling the counterrevolutionary rebellion in Beijing, and when the whole party, the entire Army, and all the people in the country are earnestly studying Chairman Deng Xiaoping's important speeches and firmly implementing the guideline laid down by the 4th Plenary Session of the 13th CPC Central Committee, the report group on heroic deeds in quelling the counterrevolutionary rebellion has braved the hot weather and come to Nanjing to report to us on how the courageous soldiers and Armed Police Forces quelled the riot. This constitutes a tremendous inspiration and profound education to the officers and men of the Military District. When the counterrevolutionary riot took place in Beijing, the martial law enforcement troops, the Armed Police, and public security police forces, with the active support and close coordination of the people, resolutely implemented the orders of the party Central Committee, the State Council, and the Central Military Commission; taken the overall situation into consideration; endured humiliation to carry out their mission; went to their deaths like heroes; protected the party, the capital, and the People's Republic with their loyalty and blood; and wrote a new chapter in the history of the Army and added new luster to the banner of the Army. We must do a still better job in learning from the heroes and model soldiers, as well as the "guardians of the Republic"; use their heroic deeds to educate our troops, boost our morale, and arouse our fighting will; and exert even greater efforts to build ourselves into a revolutionary, modern and regular Army. He also called on the troops of the Military District to carry out education on the purpose of the Army and on the Army tradition of supporting the government and loving the people, and to actively carry out their activities to develop the socialist spiritual civilization with the combined efforts of the Army and the people.

Han Peixin warmly greeted the report group on behalf of the provincial party committee, the provincial government, and the 64 million people of the province. Comrade Han Peixin said: The arrival of the report group in Jiangsu is an enormous spiritual experience for us. It will greatly propel us to implement the guideline laid down by the 4th Plenary Session of the 13th CPC Central Committee. We must comprehensively carry out activities to learn from the PLA and from the heroes and model soldiers in quelling the riot. We must give publicity to the heroes and learn from them in a clear-cut manner, identify ourselves with the party Central Committee in the ideological field and in action, and heighten our political awareness. We must remain loyal to the party, to the people, and to the socialist motherland forever, and fear neither difficulties nor sacrifices. We should press forward with indomitable will, and display the revolutionary spirit of selflessly dedicating ourselves to the cause of the party. We must display the high qualities and fine workstyle of sincerely loving the people and strictly observing discipline. While extensively learning from the heroes and model soldiers, we must vigorously promote the socialist modernization program in the province, and continue to carry out reform and opening to the outside world.

In his speech, Comrade Han Peixin stressed: In learning from the PLA and from the heroes and model soldiers, the most important thing is to take immediate action. We must earnestly implement the guideline laid down by the 4th Plenary Session of the 13th CPC Central Committee, and firmly carry out the four major tasks [thorough quelling of the counterrevolutionary rebellion, straightening out economic order, straightening ideological and political work, and enhancing party building]. We must extensively study the documents of the 4th Plenary Session of the 13th CPC Central Committee, distinguish right from wrong, unify our ideas, heighten our awareness, and adopt a firm stand. We must thoroughly expose the conspiracies of the behind-the-scene plotters and organizers of the turmoil and counterrevolutionary riot, as well as the brutal crimes of the rioters. At the same time, we should correctly handle the two different types of contradictions, and score a complete victory in stopping the turmoil and quelling the riot. We must continue to implement the line, principle, and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee, and the basic line consisting of "one focus and two basic points." We should also work hard to improve the economic environment, rectify economic order, deepen our reform, and continually develop economic construction in our province. We must combine our activities to give publicity to, and learn from, the heroes and model soldiers with our efforts to broaden education on patriotism, socialism, and the spirit of self-reliance and hard struggle. We must persistently uphold the four cardinal principles, oppose bourgeois liberalization, and make socialist and communist ideas and ethics flourish in all fields. We should vigorously promote democracy and strengthen the legal system, resolutely combat corruption, establish clean and honest government, earnestly implement the decisions of the party Central Committee, the State Council, the provincial party committee, and the provincial government in accomplishing several tasks of great concern to the people, and further strengthen the party's unity and increase its combat effectiveness. In the meantime, we must further strengthen unity between the Army and the government and between the Army and the people; and create a fine atmosphere in the province in trusting. understanding, and supporting the PLA.

The report meeting held yesterday was jointly sponsored by the Propaganda Department of the Jiangsu Provincial CPC Committee, the Nanjing Military District, and the Nanjing City CPC Committee.

Prior to the report meeting, the principal leading comrades of the Nanjing Military District and the City of Nanjing received all members of the report group and posed for a group picture with them.

Han Peixin Addresses Jiangsu Trade Union Meeting OW2608000989 Nanjing XINHUA RIBAO in Chinese 12 Aug 89 p-1

[By reporter Lu Xiaolu (0712 2556 7216]

[Text] We must strengthen the leadership of the party, rely fully on the working class, and carry out our work with regard to mass organizations well. This was the central theme of the speech made by Han Peixin, secretary of the provincial committee, at the provincial meeting on trade union work. Attending the meeting were responsible persons of the provincial CYL Committee and the provincial women's federation, as well as the responsible persons of the trade unions at the provincial, city, and county levels.

Han Peixin said: The consistent principle of our party is to rely fully on the working class. First, we must realize that our reliance on the working class is decided by the nature of our socialist nation. Second, we must realize that full reliance on the working class meets the objective requirement in following the leadership of the party. Third, we must do a good job in handling the following two types of relationships correctly in order to firmly establish the concept of relying fully on the working class: 1) We must handle correctly the relationship between our efforts to help the factory director (manager) maintain his status while carrying out production and doing business and our efforts to rely fully on the working class. No matter how competent a factory director (manager) is, there is little he can do if the broad masses of workers and staff members in the factory lack enthusiasm to produce. It is only when the factory director (manager) correctly handles his relationship with the masses of workers and manages the factory in a democratic manner that he can whip up the enthusiasm of the workers and staff members and promote production. 2) We must handle correctly the relationship between industrial workers and intellectuals. Jiang Zemin and other central leading comrades have reaffirmed repeatedly Comrade Deng Xiaoping's concept that "intellectuals are a part of the working class" and emphatically pointed out that our party must rely on them at all times. However, we must not forget that the core of the working class remains the broad masses of industrial workers. We must rely fully on the working class, particularly the industrial workers who form the core of the working class, from now on. At the same time, we must, as always, earnestly implement the party's policy in dealing with intellectuals and take good care of them with regard to work and livelihood so that they will work even harder in developing construction and carrying out reform.

Han Peixin urged all party organizations in the province to admit applicants into the party who come from the ranks of industrial workers and attract into the party those workers who demonstrate a high level of political awareness and meet the requirements for party membership. He added: We also must select and promote to leading posts those outstanding industrial workers who have better education, a superior organizing ability, and high prestige among the masses. They should become an important source of our cadres from now on.

Han Peixin also expressed his views on how to independently carry out our work concerning mass organizations and on how to strengthen these under the leadership of the party.

Economy Dominates Shandong Committee Meeting

SK2608004189 Jinan Shandong Provincial Service in Mandarin 2200 GMT 22 Aug 89

[Text] The 11th Standing Committee meeting of the 7th Shandong Provincial People's Congress was held at the Nanjiao Hotel in Jinan on the afternoon of 22 August. Li Zhen, chairman of the provincial People's Congress Standing Committee, presided over the meeting held on the afternoon of 22 August.

The committee members heard a report given by Wang Yuyan, director of the provincial Planning Commission, on the implementation of the national economic and social development plan for the first half of 1989; a report given by Guo Changcai, director of the provincial Financial Department, on the implementation of financial budgets from January to July of 1989; a report given by (Pang Jingzan), director of the provincial Pricing Bureau, on the province's pricing situation; and a report given by Li Juchang, director of the provincial Communications Department, on the province's situation in building communications infrastructural facilities.

In his report, Wang Yuyan said: Since the beginning of this year, the governments at all levels have conscientiously implemented the principles of the central authorities, acted in line with the demands of the second session of the seventh provincial People's Congress, and considered the attempt to gradually eliminate the overheated economy, guarantee the accomplishment of the task of making price increase remarkably lower than last year, and reap a bumper agricultural harvest as the primary tasks of their economic work. We have grasped the work carly and firmly and have succeeded in promoting a sustained and steady development in the national economy. The implementation of the whole national economic and social development plan has been good. At present, the existing problems in our economic work are: The serious drought and water shortage have restricted industrial and agricultural production; the readjustment of the economic structure is not rapid: although the situation in the expansion of the overall social demands has been eased, no fundamental change has been achieved; there is a serious shortage of funds for the key energy, communications, raw materials construction projects and the construction progress is slow; the foreign exchange earnings have decreased, making it

very difficult for us to pay foreign bills; and the pricing situation has remained very grim.

Wang Yuyan said: In the second half of this year, we should actively conduct a campaign to increase production in the fall and try by all possible means to reap an overall bumper agricultural harvest, accelerate the readjustment of industrial structure, strive to increase effective supply, continue to center our work on cutting back demands, do a good job in improvement and rectification, adopt positive measures to realistically improve foreign economic and trade work, stabilize the market, control prices, actively increase revenues and reduce expenditures, strive to achieve a balance in revenues and expenditures, and strengthen and improve macro regulation and control.

In his report, Guo Changcai said: From January to July this year, the implementation of the financial budgets was good throughout the province. The province's financial revenues reached 6.212 billion yuan, which was 64.12 percent of the budget, an increase of 15.37 percent over the same period of last year. The province's financial expenditures reached 4.875 billion yuan, accounting for 45.77 percent of the budget, an increase of 15.47 percent over the same period of last year. According to an initial rough estimate, we achieved a balance between revenues and expenditures with a small surplus. In the second half of this year, we should resolutely eliminate the influence of the idea that deficits will not do harm, be resolute to achieve a balance in revenues and expenditures, strive to open up financial resources, and make up our minds to practice economy and to cut back on expenditures, continue to carry out a general inspection in tax revenues and financial affairs, conscientiously implement the central policies for improving and consolidating the financial and tax collection work and realistically do a good job in keeping the financial and tax departments clean and honest.

In accordance with the agenda of the meeting, this meeting will also discuss and revise a draft Shandong provincial regulation on giving preferential treatment to the families of martyrs, servicemen, and disabled soldiers, discuss a draft Shandong provincial regulation on protecting minors, hear a report given by the provincial Civil Administrative Department on the relevant situation in organizing the establishment of Rizhao City of a prefectural level, and make decisions on the relevant matters of organizing the establishment of this prefectural level city. The meeting will also examine a provisional method for the urban construction plan of Qingdao City and the method on managing the primary and middle school buildings and sites which will be submitted to the meeting by the Qingdao City People's Congress Standing Committee for approval, and will decide by vote the appointment and removal of personnel.

Lu Hong, Xiao Han, Wang Shufang, Xu Jianchun, Lin Ping, Yang Xingfu, Xu Sen, and Yan Qingqing, vice chairmen of the provincial People's Congress Standing Committee, attended the meeting. Ma Shizhong, vice provincial governor; Meng Zhaoju, president of the provincial Higher People's Court; and some deputies of the National People's Congress and of the provincial People's congress, including Xu Leijian, Gao Fengwu, and Zhang Zhusheng, attended the meeting as observers.

Shandong Secretary Addresses Propaganda Forum

SK2608020689 Jinan Shandong Provincial Service in Mandarin 2200 GMT 13 Aug 89

[Text] After a 5-day session, the provincial propaganda work conference and the provincial conference on the work of higher educational institutions concluded in the city of Jinan on 12 August.

Jiang Chunyun, secretary of the provincial party committee, and Zhao Zhihao, deputy secretary of the provincial party committee and governor or the province, attended the conference on the afternoon of 12 August and delivered speeches.

In his speech, Comrade Jiang Chunyun cited important opinions on how to uphold the principle of grasping the work with two hands and how to deal with the problem of handling matters with hard tactics on the one hand and soft methods on the other. He stated: Dealing with the problem of handling matters with hard tactics on the one hand and soft methods on the other represents a major and important task put forward by Comrade Xiaoping for the entire party and also an important problem upon which we should earnestly reflect after blocking the disturbance and quelling the counterrevolutionary riot and which we should realistically deal with. The lesson drawn from this regard is profound. If we don't uphold the principle of grasping the work with two hands and if we continuously neglect or weaken the party's work in the political field, our party would be toppled and the socialist system would encounter the danger of being subverted. Hereafter, whether we uphold the principle of grasping the work with two hands and can handle matters with hard and soft tactics constitute not only an issue on understanding but also a serious political issue with regard to determining whether we can assume responsibility for the fate and future of the party and country.

In his speech, Comrade Jiang Chunyun pointed out: In upholding the principle of grasping the work with two hands and dealing with the problem of handling matters with hard tactics on the one hand and soft methods on the other, first of all we should clearly discern the extreme importance of ideological and political work and the work in the ideological field and should place the work on a due position. This is an issue which has a vital bearing on our work and we must fulfill the task with mature ideology and understanding, with strong leadership, and with concrete deeds.

In his speech, Comrade Jiang Chunyun pointed out: The key to dealing with the problem of handling matters with hard tactics on the one hand and soft methods on the other lies on the party committee and on the first leader of the party committee. He stated: The provincial party committee has decided to appraise the achievements scored by the party committee at specific levels and by its first leader in the future by determining whether they have dealt with the problem of handling matters with hard tactics on the one hand and soft methods on the other and done a good job in conducting the ideological and political work and building the spiritual civilization.

In his speech, Comrade Jiang Chunyun stressed that we should regard the upholding of the four cardinal principles and the opposing of bourgeois liberalization as a first-grade big event in the work of the ideological field for the current or future period and as a central content in conducting the ideological and political work. He stated: Upholding the four cardinal principles represents the foundation of the PRC's founding and upholding the principle of conducting reform and opening to the outside world represents the road of making the country strong. Both of them are indispensable. However, during the past long period, a large number of our comrades have not persistently upheld the four cardinal principles due to the erroneous guidance of Comrade Zhao Ziyang and not satisfactorily regarded them as basic guiding ideology in educating the masses, students, cadres, and party members. They have not made use of the powerful weapon to counterattack the furious attack of bourgeois liberalization. If we contend that we failed to know the work well and to consciously grasp the work in the past, we must be clear-headed and alert after the disturbance and riot and should regard the upholding of the four cardinal principles and the opposing of bourgeois liberalization as a first-grade big event in the work of the ideological field for the current or future period and as a central content in conducting the work, which must be unswervingly, firmly, and satisfactorily carried out in a down-to-earth manner.

In his speech, Comrade Jiang Chunyun stressed that we must apply the Marxist theories, particularly the Marxist philosophical weapon, to straighten out and correct the confused theoretical problems caused by the trend of bourgeois liberalization; should vigorously organize all forces to carry out earnest study over the ideological and theoretical problems about which the masses have lodged strong complaints; and should do a good job in the work of conducting radical reforms. We must note that over the past few years, the feeler of bourgeois liberalization has reached to various sectors of the ideological field and caused chaos in varying degrees. Problems in the circles of the press, theory, literature and art, publication, and education are particularly prominent. Tasks undertaken by these circles in enhancing or establishing again the guiding position of Marxism are pressing and arduous. Through conducting radical reform in theories, we should have the people know well what they should advocate and uphold as well as what they should oppose and give up so as to ensure the work of the ideological field to achieve a healthy and smooth development.

In his speech, he pointed out that the fundamental purpose of the ideological and political work is to change the human world outlook and the outlook on life; to train new successors with four haves; and to guide party members, cadres, students, and the vast number of people to foster a correct outlook on life and the world and to truly be persons with morality, cultural knowledge, and the practice of abiding the discipline and who can make contributions to the country, the Chinese Nation, and the society.

In concluding his speech, Comrade Jiang Chi'nvun stated: I wish to take this opportunity to put forward the following expectation and demands for comrades who are working on the fronts of mass media, propaganda work, ideology, education, and publication: The work of the mass media and propaganda front is an important component of the party's work. He urged the personnel on these fronts to know well the characteristics of their professional work, the demand imposed by the new situation, and the glorious duties undertaken by them. They should earnestly study well Marxist theories; vigorously upgrade their quality in ideology and profession; earnestly implement the party's line, principles, and policies; strictly abide by the party's discipline on the propaganda work; make doubled efforts; and should be determined to push forward the work in the ideological field

During the forum, Comrade Zhao Zhihao also delivered a speech in which he put forward opinions on how to pay attention, to enhance, and to support the propaganda work, in which he stated: The propaganda and ideological work constitutes a very important front and enhancing the propaganda and ideological work represents an important task undertaken by party committees at all levels and a unshirkable duty undertaken by governments at all levels.

In his speech, Comrade Zhao Zhihao stated: The people's governments at all levels are in charge of the organizational and managerial work of economic construction and social affairs and are executing the people's democratic dictatorship and assuming the duties of protecting the people and dealing blows at enemies. The overwhelming majority of the party's line, principles, and policies, as well as the resolutions, policy decisions, and work arrangements made by party committees are being carried out through the organs under the people's governments. Therefore, in successfully fulfilling these principles, policies, decisions, and arrangements, governments at all levels must apply the powerful and effective propaganda and ideological work to educate the people, to unite with the people, and to bring into full play the enthusiasm of the vast number of people.

In his speech, Comrade Zhao Zhihao stressed that governments and the economic front should concentrate on successfully conducting the ideological education in the following aspects in the current and future periods:

- 1. A good job should be done in conducting the propaganda education on building administrative honesty and carrying out administrative work industriously. It is hoped that work personnel in governments at all levels are officials who can engage in conducting reform and creating something new, can perform their duties honestly and industriously, can unite with the people and do practical deeds, can render highly-efficient services, and can bring benefits to the people and win glory for the party.
- A good job should be done in conducting education on upholding the four cardinal principles and opposing bourgeois liberalization.
- 3. A good job should be done in conducting the education on the situation and current tasks so as to enable the personnel to see the good main aspect of the economy and to enhance their confidence in making steady progress on the one hand as well as to see the existing problems and difficulties and to clearly know their direction of advance on the other.
- 4. A good job should be done in education on conducting reform and opening to the outside world to enhance their sense in this regard and to enable them to further emancipate minds and to more boldly and actively push forward the principle of conducting reform and opening to the outside world.
- 5. A good job should be done in conducting the education on cherishing socialism, the country, and the collective; on correctly dealing with the relationship among the interests of the state, collective, and individual; and on encouraging the people to engage in much production, to make more contributions, to become rich through labor work and in a civilized way, and to mutually become rich by having the people who have first become rich help those who are still poor.
- 6. A good job should be done in conducting education on being self reliant and doing pioneering work arduously; on correcting the malpractice of spending money above the household budget, going in for formality, and of vying with each other for extravagance; and on fostering the new social morale of doing pioneering work, comparing with each other for contributions, and of engaging in various undertakings industriously.
- 7. A good job should be done in conducting education on transforming social traditions; on doing away with feudalistic and superstitious habits; on popularizing scientific and cultural knowledge; on breaking with all outdated and bad customs; on stressing family planning work and the practices of following public amenities, respecting the old and cherishing the young, assisting and supporting each other, supporting the Army and giving preferential treatment to servicemen's families, and of building up the family industriously; on eliminating spiritual pollution; and on extensively carrying out the mass, civilized, and healthy activities of culture and sports.

In his speech, Comrade Zhao Zhihao stressed that governments at all levels should vigorously support the work conducted by the propaganda department. He stated: Assuming the glorious and arduous tasks in enhancing the propaganda and ideological work are propaganda departments at all levels and the propaganda fronts of the press, publication, and radio and television broadcasting stations, as well as the departments of education, culture, and theory, which are related to propaganda and ideological work. The work undertaken by these departments deserves to be supported and cared for by various social circles. Governments at all levels should make new contributions to supporting the propaganda work. Efforts should be made to enhance guidance over the propaganda work, to actively accept the supervision of public opinions, to place the projects of building propaganda facilities on the plans for the national economy and social development, and to show concern for building the personnel contingent of press and publica-

During the forum, Vice Governor Song Fatang also delivered a speech in which he put forward some demands for some urgent things that need to be solved by various higher educational institutions at present. Ma Zhongchen, deputy secretary of the provincial party committee, presided over the forum on the afternoon of 12 August.

Attending the forum were Zhang Quanjing, Miao Fenglin, and Tan Fude, members of the provincial party Standing Committee; and Vice Governor Song Fatang.

Shanghai Chief Procurator Views Major Cases

OW2508133989 Shanghai Voice of Pujiang in Mandarin to Taiwan 0900 GMT 12 Aug 89

[From the "News" program]

[Text] The Shanghai Municipal People's Procuratorate held an on-the-spot meeting yesterday on the work of cracking down on major and serious cases. At the meeting, commendation was given to the Baoshan District People's Procuratorate, which in 10 days cracked down on 5 major embezzlement and bribery cases involving cadres at the departmental level.

Shi Zhusan, chief procurator of the Shanghai Municipal People's Procuratorate, pointed out at the meeting: Procuratorial organs at all levels should take advantage of the present opportune time to go all out to crack down on major and serious cases, in particular major criminal cases involving cadres at and above departmental level.

He said: During the first 10 days of August, procuratorial organs cracked down on 81 cases of embezzlement, bribery, and other economic crimes, and 35 people voluntarily surrendered themselves. Since we started to encourage people to report cadres' malpractices last year, 118 people have turned themselves over to the procuratorial organs. Among them, 15 people were involved in cases with a monetary amount not less than 10,000 yuan.

Of the 15, 1 has been exempted from prosecution, and 4 have suspended sentences, while all the others have not yet been dealt with.

Shi Zhushan added: Reporting cadres malpractices has become a current trend. During the above-mentioned 10 days alone, as many as 1,004 reported cases were accepted. This was double the record registered for July.

Zhejiang Student Sentenced for Spreading Rumors

OW2708102089 Hangzhou Zhejiang Provincial Service in Mandarin 0900 GMT 26 Aug 89

[Text] The Hangzhou Intermediate People's Court today openly tried the case of a student who made telephone calls to the Voice of America [VOA] to spread political rumors during the counterrevolutionary rebellion in Beijing. (Zhang Weiping), the defendant and a student of the Zhejiang Fine Arts Academy, was sentenced to 9 years' imprisonment and deprived of political rights for 3 years for the crime of counterrevolutionary propaganda and sedition.

(Zhang Weiping), 25, was a student of the class of 1985 of the Zhejiang Fine Arts Academy. On the morning of 5 June 1989, he joined other students of the Zhejiang Fine Arts Academy in a demonstration in front of the entrance of the provincial government building. A student climbed up to the roof of the entrance and pulled the national flag down to the middle of the flagpole. The next morning. (Zhang Weiping) told the VOA through an international long distance telephone call that the student demonstrators of the Zhejiang Fine Arts Academy escaped arrest and reached the provincial government building, where they forced the provincial government to fly the flag at half-mast to mourn the patriotic compatriots killed in Beijing. He also made a lot of antigovernment remarks in the call to the VOA. In the afternoon of the same day, he recorded on two cassettes a VOA report of the above contents. The loud-speaker station set up at Nanshan Road by the students of the Zhejiang Fine Arts Academy was given one of the cassettes and played it. Also, during the turmoil (Zhang Weiping) drew cartoons to spread political rumors.

During the open trial, the Hangzhou Intermediate People's Court held that the defendant (Zhang Weiping) instigated the masses to oppose the party leadership and the people's government during the turmoil and rebellion, and what he did was a crime of counterrevolutionary propaganda and sedition. The court made the above judgment of first instance in accordance with Article 102 of the Criminal Law of the People's Republic of China.

Zhejiang Crime Reporting Center Begins Operation

OW2608053189 Hangzhou ZHEJIANG RIBAO in Chinese 16 Aug 89 p 1

[By Shen Gongshang 3088 6300 0794]

[Text] The Economic Crime Report Center set up by the provincial Administration for Industry and Commerce will commence operations on 16 August.

The center will accept cases involving units or individuals reselling at a profit important means of production and durable goods in short supply; manufacturing and marketing fake and substandard goods; speculating and profiteering in gold, silver, cultural relics, foreign currency, and bank notes; reselling economic contracts or exploiting economic contracts and other means for illegal gains; hoarding important farm and subsidiary products for speculation; engaging in smuggling and trading of smuggled goods; and violating other industrial and commercial administrative regulations.

The center also will accept cases brought by the masses and dealing with official abuse of power, extortion, embezzlement, bribe-taking, and other legal and disciplinary violations, as well as cases involving units and individuals of administrations who turn themselves in and confess economic crimes they have committed. The names of informants and the contents of criminal cases will be kept strictly confidential. All cases will be investigated promptly and informants will be advised of the results. Informants whose information leads to a crackdown of major cases will be rewarded.

The Economic Crime Report Center is located at No 93 Huangcheng West Road, Hangzhou; its telephone number is 558518.

Central-South Region

Guangdong's Lei Discusses 4 Jun Aftermath

Appraises Economy

HK2108042289 Hong Kong WEN WEI PO in Chinese 20 Aug 89 p 3

[Part one of "special interview" with Guangzhou Vice Mayor Lei Yu by Guangzhou correspondent Shen Hungfei (3088 1347 5481): "Lei Yu on the Recent Situation in Guangzhou"]

[Text] Guangzhou. 19 Aug—Guangzhou Vice Mayor Lei Yu granted an interview to this reporter in his office several days ago. During the interview he talked about issues that have occurred since the '4 June' incident. These issues, which are of common concern to people in the country and abroad, include the political and economic situation in Guangzhou and its relations with Hong Kong and Macao. This newspaper will publish the interview in four parts beginning today.

Tourism Has Suffered the Most Serious Effects

Reporter: Would you make a general appraisal of Guangzhou's situation after the '4 June' incident?

Lei Yu: On the whole, we are optimistic about Guangzhou's political and economic situation after the '4 June' incident. As a matter fact, some difficulties in the economic field emerged after the monetary retrenchment and the reduction of capital construction. Of course, the '4 June' incident has directly and most seriously hit the city's tourism. I cannot forecast the future impact of the '4 June' incident on the economic situation or some international factors that will affect this situation. But I believe we can handle them.

Reporter: Some fast-selling commodities in Guangzhou, which is known as a "shopping paradise," have become slow-selling commodities. What do you think of this problem?

Lei Yu: From January to July this year the total retail sales volume of social products in Guangzhou increased by 23.6 percent over the same period of last year. Now there are lots of commodities on the market, but these commodities cannot be sold. The market situation in the rest of the country may be the same. Because the renminbi has run short, commercial departments have to hold clearance sales of the goods in their warehouses to get working capital. In addition, the people wish to keep their money in hand for future shopping, and a large number of consumers have deposited their money in banks due to the increase in interest rates. According to statistics, from January to July this year urban and rural bank deposits increased by 2.325 billion yuan and money recovery amounted 2.68 billion yuan, accounting for half of the country's total.

Consumption Should Not Be Restricted

Reporter: Is this situation encouraging or discouraging?

Lei Yu: The increase in bank deposits and money recovery is favorable to the city's funds and loans. But in the long run, an excessive increase in bank interest rates will endanger the country's monetary position. Probably this state policy is aimed at alleviating the contradiction between aggregate social supply and demand. But everything has a dual nature. There is no need to restrict consumption. In such a large country as ours, aggregate social supply and demand cannot always be in balance. Absorbing the citizens' money into banks is beneficial to protecting the market and stabilizing commodity prices. But on the other hand, high interest rates will add to enterprises' burden and will eventually affect revenues. This will reduce the citizens' purchasing desire and is not necessarily good. Now bonds are issued at a high interest rate of 27 percent. With this high interest rate, enterprises will have less risks in buying bonds than in carrying out production. In the face of this change in the domestic market, Guangzhou should take some measures. Recently the overstocking of refrigerators has eased a little but other commodities still remain overstocked. This situation has arisen probably due to an excessive production scale without considering the demand for the commodities produced. But why has it arisen so suddenly? This is not a simple problem. Moreover, there are also difficulties in transportation.

The Inflation Rate Increased by 10 Percent Over Last Year

Reporter: Under such circumstances, how are the city's price increases and fund situation?

Lei Yu: The city's inflation rate was 39.3 percent in the first half of this year and was 29.6 percent in the same period of last year. Commodity prices in Guangzhou are still high but the increase trend is slow. Inflation stood at 35.2 percent from January to July this year. Like the rest of the country, Guangzhou is short of funds. But comparatively speaking, life in the city is better than the rest of the country. In comparison with the beginning of this year, the balance of bank deposits has increased by 2 billion yuan and the balance of loans by 1.1 billion yuan. But the nationwide fund shortage has added to the city's burden: The city has to pay in advance for the purchase of raw materials, but its customers are generally behind their loan repayments; another difficulty facing enterprises is their repayment of high-interest loans for working capital.

Considers Trade

HK2108063489 Hong Kong WEN WEI PO in Chinese 21 Aug 89 p 4

[Part two of "special interview" with Guangzhou Vice Mayor Lei Yu by Guangzhou correspondent Shen Hungfei (3088 1347 5481): "The Influence of the '4 June' Incident Is Not Great"]

[Text] Guangzhou, 20 Aug

Export Trade Is Expected To Increase Slightly This Year

Reporter: What is the situation in Guangzhou's foreign economic relations and trade? The "slide" in export trade is said to be quite serious in recent days.

Lei Yu: The so-called "slide" in foreign trade chiefly occurred in the first 5 months of this year. According to statistics, export trade from January to July this year registered a net increase of 4.7 percent, while export trade in the first 6 months of this year equalled that in the same period last year. In fact, the "slide" in the first 5 months was not so serious. It is also caused by some statistical methods. I reckon that Guangzhou's export trade this year will equal that of last year or have a slight increase.

Reporter: Was this affected by the '4 June' incident?

Lei Yu: There were indeed some impacts, but so far not to a great extent. But some factors are hard to ascertain. It is also very difficult to say whether they will have any impact on us in the future, including the international factor. The following figures can show the conditions in this respect: In the first 7 months of this year, Guangzhou city signed 1,428 contracts with foreign businessmen, an increase of 74.44 percent over the same period of last year. The amount of these contracts was US\$335 million and the amount of foreign capital actually used was US\$159 million, an increase of 104 percent and 140 percent respectively over the same period last year. Guangzhou signed 959 contracts with foreign businessmen in the first 5 months of this year, an average of

191 contracts a month, and signed 199 contracts in June and 272 contracts in July. The number has increased but the contract amounts in June and July were relatively much smaller. However, the foreign funds actually used in the first 5 months of this year was US\$127 million, an increase of US\$32 million over the same period last year. With the amount in the first 7 months exceeding last year's total, the situation is still quite alright.

Foreign Businessmen Still Have Confidence in Guangzhou

Reporter: Has the confidence of foreign businessmen in Guangzhou been affected following the '4 June' Incident?

Lei Yu: Some foreign businessmen have withdrawn but not very many. This time, it is Taiwan businessmen who have given a good account of themselves. Practically none of them have withdrawn. Conversely, this is perhaps an opportune moment for Guangzhou: Finding that it does not work in the hinterland, some foreign businessmen have come to Guangdong. Some foreign businessmen perhaps have some misgivings about other places in China, but their confidence in investment in Guangzhou has never wavered. The present situation is: "If it is not bright in the west, it is bright in the east; if one does not go to the north, one will go to the south." This remark means: Even if investments from Western countries drop, investments from Southeast Asian countries will increase simultaneously. Moreover, if, due to various factors, foreign businessmen are unwilling to invest in northern China, southern China still has a strong appeal to them.

Reporter: Why have you drawn such a conclusion? Judging by the present situation, in what specific ways does Guangzhou's appeal to foreign businessmen manifest itself?

Lei Yu: First, the relatively good quality of Guangzhou's laborers, Guangzhou's geographical proximity to Hong Kong and Macao, and its good access to transport and telecommunications. Guangzhou has a complete variety of industries, a high level of coordination, and a strong scientific and technological force. Even Hong Kong does not have as many universities, colleges, and scientific and technological institutions as Guangzhou. As I see it, the most important point is that Guangzhou has a developed commodity economy. This is not only the result of opening up over the past decade but it also has historical factors. Guangzhou people have a strong sense of commodity and can quickly adapt themselves to changes on the international market. New things on the international market are also easily indentifiable by Guangzhou people. I think these features cannot be substituted by other places.

Guangzhou's Investment Environment Has its Appeal

Reporter: What conclusion will you draw if Guangzhou's existing conditions are examined in light of the overall

situation in the whole country and in the developing countries in Southeast Asia?

Lei Yu: Concerning this issue, recently there has been an argument that, following the '4 June' Incident, quite a few foreign businessmen have shifted the capital which they had originally earmarked for investment in China to the Southeast Asian region. In my view, however, the investment environments in some developing countries in Southeast Asia are not necessarily better than those in China or Guangzhou. For example, it is stipulated by some governments that, in joint ventures with foreign businessmen, the shares held by the respective countries should exceed 50 percent, but China does not make such a rigid provision; in terms of policies, these countries do not necessarily give more preferential treatment than China does. Moreover, Guangzhou also has a great advantage in terms of languages, habits, and customs, as well as the quality of laborers. Furthermore, if foreign capital swarmed toward some developing countries in Southeast Asia, they may not be able to sustain the strains. Recently, there were such reactions in some regions. Judging by China as a whole, I think that, owing to the following factors, foreign businessmen will not rashly withdraw. First, nobody will voluntarily withdraw from a market with 1.1 billion people and the foreign businessmen are also very clear about this. Second, entrance into the Chinese market is favorable not only to China but also to the foreign businessmen themselves. This is a mutually beneficial transaction rather than wishful thinking on the part of China. If you don't do it, others will. Why not go ahead with it? Third, Guangzhou's appeal in terms of investment environment is not available everywhere in the world or in the whole country. In my view, nobody can change the three points mentioned above. Precisely because of the three points I am quite optimistic about Guangzhou's prospects. Naturally, Guangzhou is also facing a lot of difficulties now. such as the strains on loans. Some debtors are urged to repay their debts even if they are not due. This is primarily because people do not have a sense of security toward the other parties. Moreover, some foreign businessmen have adopted a wait-and-see attitude.

Views Hong Kong, Macao Ties

HK2208093089 Hong Kong WEN WEI PO in Chinese 22 Aug 89 p 4

[Part three of "special interview" of Guangzhou Vice Mayor Lei Yu by Guangzhou correspondent Shen Hungfei (3088 1347 5481): "Guangzhou-Hong Kong-Macao Relations Will Become Even Closer"]

[Text] Reporter: The contacts between Hong Kong and the mainland, particularly neighboring Guangzhou, have gradually become closer and reactions in all aspects have also gradually become more sensitive. Can you conduct an analysis of and state your view on the realities and the future of Guangzhou—Hong Kong relations?

Guangdong and Hong Kong Are Equally Important Markets

Lei Yu: The cooperative relations among Guangzhou, Hong Kong, and Macao have existed historically, independent of the people's will. Hong Kong and Macao can provide Guangzhou with information, capital, channels, and technology. Conversely, Guangzhou can also do good for Hong Kong and Macao in many respects. First, in respect to the labor force, Guangzhou can provide Hong Kong and Macao with not only a general labor force but also technically and professionally qualified personnel at all levels. It can become a reserve for Hong Kong and Macao and in this respect, foreign countries and other places in China can hardly replace it. Hong Kong and Macao's scientific research strengths can not, on the whole, compare with that of Guangzhou. In this regard, Guangzhou can support Hong Kong and Macao in science and technology, especially applied science and technology, including transfer of scientific and technological achievements or study of a specified subject by a special force organized by Guangzhou.

Guangzhou is also a very large and good market for Hong Kong and Macao products and at the same time, Guangzhou's products can also enter Hong Kong and Macao markets or can be sold all over the world through Hong Kong and Macao. These three places supplement one another and this has been formed by history. In the future, these three places will gradually become more and more prosperous and gradually cooperate more and more extensively. In addition to the traditional forms of cooperation and channels, there will be more new forms and new channels. Beginning last year, a large number of the same trades in Guangzhou, Hong Kong, and Macao have gradually stepped up their cooperation, and all similar industrial trade unions and merchants' associations have also stepped up their cooperation and exchanges more vigorously than before. The channels and contents have become more extensive. On the whole, Hong Kong and Macao are not only very important to China but also even more important to Guangzhou. One can believe that Guangzhou has the bound duty to do whatever is beneficial to the prosperity and stability of Hong Kong and Macao, and furthermore Guangzhou will definitely not do things disadvantageous to Hong Kong and Macao. I personally have confidence in the future of Hong Kong and Macao and in the prospects for the cooperative relations of these three places. I am also convinced that nothing bad will emerge in the prospects for cooperation.

Two-Thirds of Foreign Capital Comes From Hong Kong and Macao

Reporter: What is the situation regarding Hong Kong and Macao businessmen's investments in Guangzhou City?

Lei Yu: Two-thirds of the foreign capital utilized by Guangzhou City has come from Hong Kong and Macao. In the Guangzhou Economic and Technological Development Zone, Hong Kong and Macao businessmen's investments account for 65 percent of the total amount of investments, while American businessmen's investments make up 18 percent, ranking second. Of course, some of the investments were made by some international companies or Taiwan businessmen in the name of Hong Kong companies. Guangzhou City has attached importance to Hong Kong and Macao investors and their projects. I can say that Hong Kong and Macao investments have played an important part in Guangzhou's economic development. No other regions, even the United States, can play such a part.

It Is Not Merely a Preferential Policy

Reporter: What advantages will Hong Kong and Macao investors enjoy in Guangzhou?

Lei Yu: Foreign investors can enjoy a series of government preferential measures in China or Guangzhou, but I think that an environment advantageous to investment cannot be merely and completely represented by a simple preferential policy. The similar habits and customs, common language, and communication between the personnel of both sides are sometimes more important than a preferential policy.

Considers Open Policy

HK2308063789 Hong Kong WEN WEI PO in Chinese 23 Aug 89 p 4

[Part four of "special interview" with Guangzhou Vice Mayor Lei Yu by Guangzhou correspondent Shen Hungfei (3088 1347 5481): "Guangzhou Adopts New Measures in Opening up to the World"]

[Text] Guangzhou, 23 Aug—Reporter: Does Guangzhou City have any detailed measures to restore foreign businessmen's confidence?

In September the City Will Hold Discussions in Hong Kong on Selling Enterprises

Lei Yu: Now Guangzhou City is improving its investment environment. This includes improving telecommunications, traffic, and the energy supply. The biggest trouble now is electric power outages, which also frequently occur in foreign-invested enterprises. But the city has made every possible effort to keep power outages in foreign-invested enterprises within a minimum. Sometimes power supply to a whole area is cut. In such cases foreign-invested enterprises cannot avoid being affected. But many enterprises have installed their own generators. Now the construction of the Zhujiang 60kilowatt [as published] power station is still under way and is expected to go into operation in 1992. Some diesel oil generating units have also been installed in the city to alleviate power shortages. They can generate 4.5 million kilowatts of electricity a day. We do not have too many problems with telecommunications, as tens of thousands of telephone lines will be put into operation. Foreign businessmen's applications will be given priority considcration.

Reporter: What are the city's plans for further implementing the policy of opening up to the world?

Lei Yu: The city is putting into effect policies and measures concerning this. We have opened a foreign exchange regulatory market and allowed the compensatory transfer of land utility rights and the compensatory transfer of scientific and technological achievements. A major action we are taking is transferring the shares of old enterprises. Some enterprise leaders are not convinced about this practice, thinking that this is as bad as selling our enterprises to foreigners. As a matter fact their thinking is a sort of narrow-mindedness. Selling old enterprises' shares is actually the same as building new Sino-foreign joint ventures. This will enable us to use foreign capital to transform outmoded equipment and technology. For example, the Guangzhou City steel factory has sold its shares to foreign businessmen. Before the factory sold its shares, its annual steel output was only 330,000 tons; after it sold its shares, its annual output rose to levels ranging from 800,000 to 1 million tons. The Guangzhou City heavy-duty machinery factory has produced good economic results since it sold its shares. In short, old enterprises in Guangzhou can sell some of their shares to foreign businessmen. In September Guangzhou City will hold discussions in Hong Kong on this issue. I believe there will be good results.

Selling Land Is a Must

Reporter: Land sales in Guangzhou have aroused repercussions among foreign businessmen. What is the city going to do in this respect?

Lei Yu: As a matter of fact, land is where our richest resources lie. We overlooked this problem in the past. Previously our land was not fully used, now we are beginning to pay attention to this. So far the utility rights of eight parcels of land in the Guangzhou economic and technological development zone have been transferred to foreign businessmen, with an income of HK\$48.9 million on the part of China. These parcels of land are now used for reproduction and redevelopment. Evidently, we simply must allow the compensatory transfer of land utility rights. Provided the relevant foreign businessman has the intention and conforms to the necessary terms, several square km of land in the Guangzhou economic and technological development zone can be transferred to him, not to mention a few patches of land. This also holds good to large processing areas. The three patches of land that have been transferred are only symbolic and bear a cooperative nature. In the future foreign businessmen can choose the land they wish to buy. As long as both sides agree with the terms and conditions, compensatory transfer can be carried out. Land sales can be practiced in special economic zones. Hainan, and Guangzhou.

A Channel Is Being Explored To Carry out Trade With the Soviet Union

Reporter: It seems that a trend to carry out trade with the Soviet Union is emerging in the country. What about Guangzhou?

Lei Yu: There have more trade contacts between Guangzhou and the Soviet Union but progress is not great. It seems that the Soviet Union has a greater demand for Guangdong products than for products from northeastern China. Barter trade is difficult for us. We are seeking a channel for convenient, direct trade. We have the idea of carrying out direct trade with the Soviet Union and Eastern Europe via Hong Kong.

Industrial Inclination [qing xie 0282 2438] Does Not Affect Opening Up

Reporter: There is fear that the relevant central policy will affect Guangdong and Guangzhou's "experimental zone for reform and opening up" and its practice of "leaving one side of the net open."

Lei Yu: As you may have noticed, the relevant central policy has on the whole shifted from "regional inclination" to "industrial inclination" (Note: "Regional inclination" refers to developing coastal areas whereas the latter refers to giving priority to the development of energy and raw materials industries). This policy conforms to China's actual conditions and will not affect Guangdong or Guangzhou. The policy of reform and opening up to the world will remain unchanged. Policies conform to each other. I believe that as in the past Guangzhou will continue to put into effect the relevant central policy.

Reporter: Thank you for granting this interview.

Guangdong SEZ Continues Economic Reform

Speeds Legal Process

HK2608030789 Hong Kong HONGKONG STANDARD in English 26 Aug 89 p 6

[By Fan Cheuk-wan]

[Text] The Shenzhen government has stepped up its drafting of Hong Kong-modelled economic laws in the past two months since the State Council has backed a proposal to give law-making power to a future legislature.

The government has also reaffirmed a plan to introduce 300 Hong Kong-modelled economic laws to the special economic zone (SEZ) within five years, said a Chinese legal expert.

Mr Fan Chengwei, a lawyer in the regulations division of the Shenzhen Municipal Bureau of Laws and Institutions, said yesterday the June 4 massacre and the subsequent personnel reshuffle in the central leadership had not dampened hopes in Shenzhen to formulate Hong Kong-modelled economic laws.

The Shenzhen Municipal Bureau of Laws and Institutions is responsible for implementing the law drafting plan.

The Hong Kong-modelled economic laws are needed "to cope with the growing demands of the SEZ for more flexible laws and regulations", Mr Fan said.

So far, 15 of the 300 proposed laws have been drafted and another 30 are in the works, he said.

Mr Fan said the State Council had shown its support for the Shenzhen plan in mid-June by proposing to send a delegation from the National People's Congress (NPC) Standing Committee to Shenzhen to study the progress being made in the drafting of the laws.

But it still is not certain the Standing Committee will grant legislative power to the Shenzhen municipal People's Congress.

At the second session of the seventh NPC last April, a motion to give the Standing Committee the power to decide whether the planned Shenzhen congress and the Shenzhen government should be allowed to pass the zone's laws was strongly objected to by delegates.

A total of 274 delegates voted against the controversial proposal and another 805 abstained during the closing meeting of the session.

The State Council worried there would also be opposition against the proposal in future NPC Standing Committee meetings, Mr Fan said.

"Hence it suggested those NPC Standing Committee members who disputed the proposal to come to Shenzhen to understand the SEZ's real situation," he said.

"The municipal government will then explain to the Standing Committee members about the achievements of the Shenzhen SEZ and our applications of Hong Kong laws."

Mr Fan said the Shenzhen SEZ was in great need of the Hong Kong-modelled economic laws for the sake of the wider development of its market-oriented economy.

"To have a quicker progress of the legislation of these economic laws, Shenzhen requires its own legislative power to make our own laws," he said.

The municipal government originally planned to establish the Shenzhen congress on October 1 this year, the date marking the 40th anniversary of the People's Republic of China.

But Mr Fan said the recent nationwide student unrest had delayed the original schedule for the preparatory work for the Shenzhen legislature. Mr Fan expected the Shenzhen congress would not be established this year.

Shenzhen submitted its proposal in early June, as the NPC Standing Committee had originally urged.

"We are now waiting for the final approval of the NPC Standing Committee on the proposal," he said.

"After we gain the approval, we will establish the Shenzhen Municipal People's Congress within two months."

Criminals Surrender

OW2608012889 Beijing XINHUA in English 0039 GMT 26 Aug 89

[Text] Shenzhen, August 26 (XINHUA)—In the 15 days between August 8 and 24, 27 more criminals involved in economic crimes turned themselves in to the police in the Shenzhen Special Economic Zone [SEZ] of South China's Guangdong Province.

This was announced here today at a news briefing given jointly by Wang Changying, president of the Shenzhen Intermediate People's Court, and Zhang Huanxi, chief procurator of the Shenzhen People's Procuratorate.

The 27 criminals confessed to having misused money and materials, accepted bribes and embezzled public funds with a total value of 1.6 million yuan (about 430,000 U.S. dollars) and half a million Hong Kong dollars (about 64,000 U.S. dollars).

Cai Zihong, former deputy manager of a consulting company in Shatoujiao, confessed that he had accepted 21,000 yuan of bribes.

Zhang Xuanzheng, a former leading member of the Industrial and Commercial Department of the Service Company of the China Trading Building, and two of his colleagues confessed that they have accepted 1.25 million yuan (about 337,000 U.S. dollars).

Zhu Zidong, a former Shenzhen customs official who was wanted for accepting bribes of about one million yuan (about 270,000 U.S. dollars) from smugglers, went with his father and gave himself and the illicit money up to the procuratorate on August 24.

The Shenzhen People's Court and the People's Procuratorate held a rally on August 8, to announce that economic criminals who give themselves up will be handled leniently while those who refuse to confess their crimes will be punished severely.

From the beginning of the year to August 8, 39 economic criminals in Shenzhen gave themselves up to the police.

Reassures Investors

OW2608081089 Beijing XINHUA in English 0550 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—The Shenzhen Special Economic Zone [SEZ], a pioneer in opening to the outside world, has assured overseas business people about the consistency of the open policy, the "ECONOMIC DAILY" reported today.

In June and July, 96 overseas companies registered in Shenzhen, and the local government approved contracts with an investment of 110.5 million U.S. dollars.

Since mid-June, about 12,000 motor vehicles have passed through Wenjindu customs to and from Hong Kong every day—equal to the average number before the unrest.

After China quelled the anti-government rioting in Beijing in early June, rumors that Shenzhen would close its doors to overseas business spread widely and some representatives of overseas firms withdrew from Shenzhen to Hong Kong.

Precisely at that time, Vice Mayor Zhu Yuening held a seminar with overseas businessmen June 9, five days after the quelling of the rioting in Beijing. He told investors from the United States, Japan and Hong Kong that China's open policy will remain unchanged. The city government also pledged to guarantee the personal safety of foreigners as well as to protect their interests.

Zhu also said that the city government would tolerate no social turmoil.

Shenzhen Mayor Li Hao and other officials also used various opportunities to explain China's open policy to overseas business.

Guangdong Takes Anti-pornography Measures

HK2608064889 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 25 Aug 89

[Text] Yesterday afternoon the CPC Central Committee and the State Council held a national meeting on screening and rectifying markets selling books, magazines, audiotapes, and videotapes. Among those present at the telephone meeting were provincial party and government leaders Liu Ruo, Xie Fei, Fang Bao, Huang Hao, and Lu Zhonghe as well as responsible comrades from propaganda, press, publication, broadcast, television, cultural, public security, and scientific research departments and from the Guangzhou Military Region, totaling over 50 people.

On behalf of Guangdong Province, Vice Governor Lu Zhonghe reported to the CPC Central Committee and the State Council on the province's achievements in eliminating pornographic publications and on its plan how to carry out this work more profoundly and to persist in it for a long time.

After the telephone meeting Comrade Lin Ruo issued instructions in light of the province's situation. He said that Guangdong should arrange the province's work according to Comrades Ruihuan's and Tieying's speeches. Comrade Lin Ruo stressed: In eliminating pornographic publications, first, we should not substitute fines for punishments; we should file lawsuits against serious violations of law. Second, bad examples should be discovered and exposed and criticized in press, radio, and television reports throughout the province. Third, organizational rectification should be carried out to purify the press, publication, and cultural contingents. Fourth, some necessary measures, rules, and management regulations should be worked out; special combat should be combined with regular management. Fifth, efforts of people in all fields should be mobilized to form social and cultural management committees for the purpose of eliminating pornographic publications.

Heroic Deeds Visiting Group Leaves Henan City

HK2508041789 Zhengzhou Henan Provincial Service in Mandarin 2200 GMT 23 Aug 89

[Text] The visiting group from Beijing to give talks on heroic deeds in the struggle to quell the counterrevolutionary rebellion left Zhengzhou at 1900 yesterday and headed for Tianjin to give reports. Provincial party, government, and Army leaders Hou Zhiying, Hu Tiyun, and (Wu Guangxian), and the responsible comrades of Zhengzhou City, the provincial education commission, and the Communist Youth League provincial committee saw the visiting group off at the railway station.

Visitors and hosts said goodbye on the platform. Comrade Hou Zhiying, member of the standing committee and director of the propaganda department of the provincial party committee, shook hands with every member of the visiting group, expressing his thanks to the heroes for presenting their personal experiences and giving vivid and touching political lessons to the Henan people. Hou invited them to visit Henan again in the future if possible.

Vice Governor Hu Tiyun told the head of the train crew to come closer and instructed him to take good care of the visiting group.

While visitors and hosts were waving farewell to each other, train No 252 headed slowly northward.

Before their departure the visiting group had visited Zhengzhou No 2 Grinding Wheel Plant yesterday afternoon and accepted certificates as honorary staff members, plant badges, and souvenirs.

Hubei Steel Workers Increase Political Study

HK2308153589 Beijing RENMIN RIBAO in Chinese 14 Aug 89 p 5

[Article by Chen Linping (7115 2651 1627): "A Concerto of Ideological Guidance—Notes on How the Staff and Workers of Wuhan Iron and Steel Company Oppose Turmoil"]

[Text] It was late spring and early summer in Beijing. For a time, dark clouds shrouded the capital, then they spread to Wuhan.

"Wuhan Iron and Steel Company go on strike! Down with Li Peng!"

"Wuhan Iron and Steel Company suspend production! Guang Guanfu (Hubei Provincial Party Committee secretary) surrender!"

"So long as the 140,000 workers of the company take the lead, the city will go on general strike!"

Manipulated by a small handful of bad elements, a huge number of students, out of their ignorance of the facts, surged toward Wuhan Iron and Steel Company from all directions.

Wuhan Iron and Steel Company faced a severe test, while people all over the nation focused their attention on it.

"Leadership at all levels should remain sober-headed facing major issues of right or wrong, and maintain unanimity with the central authorities with a clear-cut stand. They should earnestly organize workers and staff to study the 26 April RENMIN RIBAO editorial, adopt various forms to guide workers and staff to differentiate between truth and falsehood, to tell right from wrong, and educate workers and staff in understanding one simple truth: Hold fast to their posts; persistence in production means patriotism; the pursuit of turmoil to sabotage production is by no means patriotism!" Huang Mubin [7806 1075 3453], general executive and party committee secretary of Wuhan Iron and Steel Company, expressed where he stood on behalf of the 140,000 workers and staff of the company.

The company leadership announced: "Effective today, office workers should make arrangements for 4-hour work and 4-hour study, and workers should guarantee at least 1 hour for study daily during the relief of a shift." When the decision was made public, some workers and staff could not help but whisper among themselves: The way to the company was still blocked, and the crowds in front of the gate were still there instigating a strike, demanding "negotiation" with the company leadership. It was a touch-and-go situation, and who the hell had the peace of mind to sit down and study? However, with the passage of time, and development of the state of affairs, the workers and staff came to see that this special decision was all too important! The stipulation on 4-hour daily study would help workers and staff of Wuhan

Iron and Steel Company sit down and think soberly just what the central authorities had said, and weigh the reliability of all kinds of rumors.

However, it would not be enough just to show the mark to the workers and staff; a closely knitted guidance system should be organized to promptly conduct guidance in the central spirit. Only then would it be possible to efficiently help everyone to see through all kinds of lies, to tell truth from falsehood, and right from wrong, and to unify thinking in one heart and soul. To achieve this, two separate leading bodies were set up in both Wuhan Iron and Steel Company and the factories and mines under its jurisdiction. Part of the leading members took charge of day-to-day production and rear services; whereas an "emergency leading group" was set up, consisting primarily of responsible persons of party committees, administrations, and workers' trade unions (they were concurrently directors and deputy directors of the ideological and political work committees at the two levels.) An "emergency office" was established under the group, with nine functioning groups including ideological information, propaganda, factory protection, and ideological and political work among students' representatives. Meanwhile, Wuhan Iron and Steel Company party committee gave full play to the advantages of the structure of political and ideological work, and formed an integral guiding system consisting of bodies specialized in ideological and political work from the company party committee down to workshops as well as work teams and groups to grasp ideological education among the workers and staff boldly and assuredly. Under the command of the Wuhan Iron and Steel Company Party Committee, a magnificent concerto of ideological guidance was written.

First Movement: Macroscopic Guidance To Clarify the Truth

In the days of opposing turmoil, some people said that the Capital Iron and Steel Company had already suspended production and gone on strike, with all its workers taking to the streets. The company emergency leading group promptly called the Capital Iron and Steel Company on the phone to inquire about the situation, and the answer was: No strike was under way! The emergency leading group immediately passed on the information to the workers and staff.

Rumor had it that a Beijing college student, the child of a Wuhan Iron and Steel Company worker had been slaughtered at a time when the Voice of America was telling the "story" of the Beijing bloodshed. The company sent men to call at the worker's house. Standing at the door to welcome them was none other than the college student in question...

Time and again, leading comrades of the party committee, administration and workers trade union of Wuhan Iron and Steel Company, including Huang Mobin, answered all sorts of questions raised by the workers and staff at various meetings, and educated them with facts.

Wen Bicong [2429 1801 7500], the company party committee deputy secretary, who was responsible for propaganda and external relations, accurately and promptly relayed the spirit of the instruction of the superior party committee, without dropping a single word, to the responsible persons of subordinate units; then the spirit was rapidly passed down to every level.

Such a guidance helped differentiate truth from falsehood, and led the workers and staff to believe in the party and the government. The workers and staff said: To guard Wuhan Iron and Steel Company and to persist in production are our bound duty. Should the company suspend production for a single day, it would incur a loss of 5 million yuan in profits and taxes to be handed over to the state. Should such a huge sum of money go down the drain, could that be regarded as patriotic? A veteran worker said: "Should a turmoil take place, it would be disastrous to the people! No way, there should never be a turmoil again! We want stability at any rate!" A middle-aged worker said: "My income has gone up over the years of reform, no matter what they say. Should the turmoil continue, a huge portion of our income would be axed this year. Moreover, should production be suspended, with gas and water supply all stopped, how are we going to prepare our meals?

For a time, some people had failed to see why workers and staff of Wuhan Iron and Steel Company should hold fast to their production; others even spread the rumor that the company had issued huge bonuses (between 10 and 100 yuan) to its workers and staff who persisted in production. Li Chunhai [2621 2504 3189], Wuhan Ironworks director and concurrently party committee secretary, told the workers and staff: It is rumored that workers of our ironworks get a 5-yuan daily "stability bonus" simply for their presence at their posts. Isn't that somewhat underestimating our workers? Turmoil has never taken place in our ironworks, and the stability and unity of our works are not for money, we rely on the consciousness of the working class to accomplish them!"

Second Movement: Specific Guidance Relies on Heart-to-heart Talks

The practice of Wuhan Iron and Steel Company in ideological guidance with regards to specific persons and matters fell into two categories.

The first category was guidance in prevention. A young worker of a steelworks under the Wuhan Iron and Steel Company had on several occasions been held in detention by the Public Security Bureau. When the recent turmoil spread to Wuhan, the leader of his group began to worry about his being involved in it. He had heart-to-heart talks with the young worker on several occasions, and expressed the hope that the latter would hold fast to his post as a member of the worker class, and make contributions to creating first-rate work regarding

all indexes of the group for the year. As a result, the young worker felt warm at heart. He was never absent for a day during the whole period of the turmoil. The group had turned out not a single item of waste products, with both quality and quantity of its products ranking top among other groups of the same type of work in production. The young worker lived in Hankou. He had to walk three hours a day to get to the ferry in case of a traffic disruption. Sometimes, he would very much have liked to listen to speeches on his way to work, but he would restrain himself when he remembered the group leader's hope and faith in him.

The other category was stimulating guidance. At mass meetings, the party committee secretary Huang Mobin had on many occasions extended his admiration to the workers and staff for the patriotism they displayed and being worthy members of the Chinese working class by holding fast to their posts. The coking works hoisted a huge banner at the entrance to the works, which read: Salute to the comrades overcoming difficulties and holding fast to their posts! Leading members of the No 2 Steelworks personally went down to workshops in turn to extend their appreciation to workers holding fast to their posts and to resolve their practical problems. Many factories convened meetings in various forms to commend the deeds of the comrades overcoming difficulties in order to stand fast at their posts.

Affected by the majority of workers and staff, a number of workers who had thought of taking advantage of the traffic disruption caused by students to take a few day's rest at home became restless, and tried their best to get to work. Some of them managed to get to the works via Lake Dong Hu, which would mean an extra 10 km on the way. Others managed to seek help from the peasants nearby to give them a boat ride to cross the lake. Still others played the role of Tarzan by swinging across the narrowest section of a river on a length of rope. Some young men even swam all the way to work, bundles of clothing above their heads.

During that period, many moving deeds surfaced: A veteran worker was stopped by the roadblock set up by students. He presented some cigarettes to the students. and hoped that they would let him pass. But then a fellow with ulterior motives said: " So long as you say 'Down with the Communist Party,' we'll let you pass." Upon this, the veteran worker was so angry that he spat on the ground, and marched away without even turning his head. A young worker was strongly built. He could lift up his bike with ease, and was thinking of crossing the bridge blocked by the students. But with a "snap," someone set the lock on his bike, then threw the key to the lock into the river. In a wrath, the young man threw his bike into the river. The splash stunned the crowd on the bridge. In the dead silence, the young man shouted: "Make way!" Involuntarily, the students did as they were told, and the young man passed through the human wall and marched straight to work.

Third Movement: Initiative in External Guidance

Wuhan Iran and Steel Company covers a vast area with a rather wide scope. To do a good job in ideological and political work among workers and staff, the company organized an enlightenment team for ideological and political work and conducted work in its own initiatives. That was favorable to educating the workers and staff and helping the students who had been fooled to come to their senses.

At about 1500 on 7 June, a rumor spread from the No 16 entrance to the Wuhan Iron and Steel Company that three persons had been beaten to death at the Wuhan Bridge. Promptly, some 20 college students gathered at the entrance and attempted to break through the gate, to block the railway, and to halt the operation of skip buckets handling residues. The workers and staff who were guarding the steelworks patiently persuaded the students not to do so, and pointed out that they were being credulous and rash. The students were at last convinced and left the site in 15 minutes.

On another occasion, the furnace chief of an ironworks asked a student leader and a throng of his schoolmates why he had stopped the workers from going to work. The student leader answered that it was hoped that the workers would support the students in their action to fight for democracy and freedom. The furnace chief then pressed him with another question: "Does your action of preventing us from going to work fall in line with democracy? Aren't you depriving us of our freedom to work?" The student leader failed to answer the question, and had to make way for the workers and staff, who were on their way to work.

In those days of turmoil, the Wuhan Iron and Steel Company maintained a rather sound situation for production, with its contracted indexes for iron, steel and s'eel products fulfilled.

Baptized in the recent storm, the people of Wuhan Iron and Steel Company have become stauncher, and the magnificent city of steel stands firmly along the bank of the Chang Jiang.

Hunan Secretary Stresses Workers' Role in Reform

HK2608083089 Changsha Hunan Provincial Service in Mandarin 2200 GMT 25 Aug 89

[Excerpts] Addressing a provincial meeting to exchange experience in running grass-roots trade unions yesterday morning, Xiong Qingquan, secretary of the provincial party committee, said: The working class is not only the main force in the modernization program and in the reform and opening up, but also the main force to defend the four cardinal principles and to safeguard social stability.

During yesterday morning's meeting, provincial party and government leaders Xiong Qingquan, Chen Bangzhu, Sun Wensheng, (Wang Zhiguo), Li Tiangeng, Liu Yue, and (Chen Yufa) attentively listened to briefings by chairmen of trade unions of various prefectures, cities, and large- and medium-sized enterprises on the performance of trade unions in the struggle against turmoil and on the difficulties and problems that trade unions were facing.

Xiong Qingquan, secretary of the provincial party committee, delivered a speech at the meeting. He first paid a warm tribute to the role that trade unions at all levels and the vast number of workers in the province had play. d in the previous period in steadfastly struggling against turmoil, standing fast at their posts, keeping their plants operating, and ensuring stability in Hunan.

Xiong Qingquan pointed out: We must, according to the Constitution, adopt effective measures to implement the principle of relying on the working class heart and soul, and we must pave the way for the workers to get involved in political affairs. In particular we must solicit opinions among trade unions on some major issues that concern the workers' immediate interests, such as wages, housing, commodity prices, and employment. In light of these opinions, we are to establish some systems to protect the workers' interests. [passage omitted]

This provincial meeting to exchange experiences in running grass-roots trade unions was held in Changsha from 22 to 25 August. The Hengyang City Federation of Trade Unions and 23 other units briefed the meeting on their experience in running trade unions.

Southwest Region

Guizhou Leaders Meet With Visiting Heroes Group

HK2608065689 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 25 Aug 89

[Excerpts] The fourth subgroup of the Beijing delegation to give talks on heroic deeds in the struggle to quell the counterrevolutionary struggle, consisting of eight members, arrived in Guiyang yesterday morning. [passage omitted]

Yesterday afternoon, provincial party, government, and Army leaders Liu Zhengwei, Wang Chaowen, Ding Tingmo, Long Zhiyi, Su Gang, Zhang Yuhuan, Miao Chunting, Liu Hanzhen, (He Renzhong), (Xu Yijiang), (Tang Huzhen), (Wu Kehui), Qiao Xueheng, and Liu Daliang, and Guiyang city leading comrades Li Wanlu and Wang Shouting called on the members of the report subgroup at the place where they were staying.

On behalf of the provincial party committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress, the provincial government, the Chinese People's Political Consultative Conference provincial committee, the provincial Military District, and the Guizhou provincial unit of the Armed Police Forces, Wang Chaowen extended a warm welcome and heartfelt thanks to the heroes who made a long trip from Beijing to give reports in Guizhou.

Wang Chaowen told the subgroup: In quelling the Beijing counterrevolutionary rebellion you made great contributions to the people. Your visiting here to give reports will greatly inspire our cadres and masses and will give a powerful impetus to our work on various fronts. We will emulate your lotty spirit and do a better job here in Guizhou.

Before leaving, the leading comrades of Guizhou Province and Guiyang City had a group photo taken with all the visitors from Beijing.

(Chang Zheng), director of the Propaganda Department of the provincial party committee, and other comrades greeted the heroes of the subgroup at the railway station yesterday morning on their arrival in Guiyang.

The subgroup is to give its first report meetings at the auditorium of the provincial party committee this morning.

Sichuan Secretary Yang Rudai Inspects Counties

HK2508101889 Chengdu Sichuan Provincial Service in Mandarin 2200 GMT 24 Aug

[Excerpts] Over the last few days provincial party committee Secretary Yang Rudai went to Xindu, Jintang, Jianyang, Ziyang, and Renshou Counties to inspect the study and implementation of the spirit of the 4th Plenary Session of the 13th CPC Central Committee, as well as industrial and agricultural production in these counties.

To study and implement the spirit of the fourth plenary session, party organizations at all levels have adopted various forms to run study classes and to organize cadres and masses in their study so as to improve their understanding, unify their ideas, and do well in fulfilling the four major tasks set by the fourth plenary session. In particular, various counties have, in light of their specific conditions, set detailed regulations concerning clean administration and hard struggle and on how to put into effect central decisions. During his discussions with county, prefectural, and township leaders, Comrade Yang Rudai fully affirmed their measures. [passage ommitted]

Comrade Yang Rudai said: After the recent storm some comrades were worried that our policies would change and our reform and opening up to the world would cease. Comrade Xiaoping provided an explicit answer: We should unswervingly carry on our work, and our basic strategy, policies, principles, and line will remain unchanged. Comrade Deng Xiaoping's speech is a programmatic document that unifies the entire party's ideology and serves as guidelines for our work in the future. Party members and cadres are required to study his speech well. On the basis of a consensus understanding, they should boldly propagate his speech among the masses to dispel their misgivings, to stimulate their spirit, to strengthen their confidence, to closely unite them around the CPC Central Committee with Comrade

Jiang Zemin as the nucleus, and to fulfill the major tasks set by the fourth plenary session.

On the question of building grass-roots party organizations, Comrade Yang Rudai stressed the necessity for rural party organizations to encourage party members to take the lead in developing the commodity economy, in enabling the masses to become better off through hard work, and in helping the masses carry out spiritual civilization. [passage omitted]

Sichuan Urges Corrupt Cadres To Confess Crimes

HK2608064689 Chengdu Sichuan Provincial Service in Mandarin 2200 GMT 25 Aug 89

[Excerpt] The Sichuan Provincial Supervisory Department recently issued a circular on the implementation of the notice of the Ministry of Supervision which demanded that civil servants involved in graft cases voluntarily confess their malpractices before the dead-line.

The circular urged supervisory organs at all levels to immediately go into action, to organize all their staff members to further study the documents of the 4th Plenary Session of the 13th CPC Central Committee and the decision adopted by the CPC Central Committee and the State Council on starting several operations in the near future to please the public, to conscientiously study the notice of the Ministry of Supervision, to have a thorough understanding of the notice, and to make every effort to implement the notice as an important task. The circular said it is necessary to give wide publicity to the notice so as to create a strong social pressure against graft. [passage omitted]

North Region

Beijing Launches Anti-pornography Campaign

OW2608104089 Beijing XINHUA in English 0710 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—The Beijing Municipal Government has launched a campaign to clear the capital of pornography.

Deputy Mayor He Luli said yesterday that the campaign to clear the capital of pornography will be well under way by October 1, National Day.

She said that during the past month authorities concerned in the capital have confiscated about 43,000 pornographic books and destroyed 370,000.

However, she said, such illegal publications are still to be found, as the city is the distribution center for books, and video and audio tapes. Beijing has more than 200 publishing houses, 1,800 newspapers and magazines, 1,300 printing houses and distribution networks with a total of 3,400 stalls.

Besides, there are also 130 video and audio tape companies with 107 video libraries and 200 video-show cinemas.

Officials concerned said that 1,300 private booksellors have become the main source of pornography and a danger to Beijing youth.

Zhou Dejun, director of the Beijing Juvenile Penitentiary, said that the influx of pornographic books and videos should be held at least partly responsible for the increase in juvenile crime in Beijing in recent years.

Hebei CPC Committee Views Party Building

SK1908220189 Shijiazhuang HEBEI RIBAO in Chinese 15 Jul 89 pp 1, 2

["Several Opinions of the Hebei Provincial CPC Committee on Strengthening Party Building at Present, Issued on 5 July 1989""—HEBEI RIBAO headline]

[Text] 1. Party committees at all levels should concentrate on strengthening party building.

During the struggle to check turmoil and quell the counterrevolutionary rebellion in the capital, party organizations at all levels, as well as the large number of party members throughout the province, have stood up to rigorous tests and have performed well in general. However, the current turmoil and rebellion have laid bare some serious problems existing in our party organizations and in our ranks of party members, and have enabled us to catch sight of the grave consequences caused by our failure in upholding the principle of grasping reform and opening-up with one hand and grasping ideological and political work with the other"which has been stressed time and again by Comrade Deng Xiaoping; our failure to effectively check the wanton spread of the ideological trend of bourgeois liberalization; and our failure to resolutely punish the incidents of corruption within the party. Harsh reality tells us that now is the right time to concentrate on grasping party building. We should sober up from the current bitter experience, and from the evil consequences caused by Comrade Zhao Ziyang in neglecting party building and weakening the party's ideological and political work. We should also be determined and make great efforts to grasp all work of party building in a down-to-earth manner. Party organizations at all levels should earnestly summarize the experiences and lessons gained from the current struggle, and earnestly consolidate themselves in the fields of ideology, organization, workstyle, and system. Through earnest consolidation, we should enable all party organizations to attach importance to self-construction, and should enable all party members to exploit their vanguard and exemplary role. At the same time, party organizations should maintain close relations with the masses, strengthen the influence and cohesion of the party, and build themselves into a firm leading core and a powerful fighting force which are highly unified in ideology, powerful and united in organization, arduous in workstyle, strict in discipline, and

identical in actions, in order to ensure the correct implementation of the basic line of the party.

Party committees at all levels must truly list party building as an important item on their daily agenda, have a pretty clear idea of what problems should be first solved and what weak links should be strengthened in party building during each period, and then adopt effective measures in a timely manner to truly solve problems and yield practical results. Those good examples emerging in party building and those good experiences created in party building should be energetically disseminated and popularized through diverse forms in order to exploit their role in guiding and giving impetus to the whole situation. Party committee secretaries should concentrate on studying how to successfully grasp party building. The success or failure in party building should be regarded as an important criterion for assessing the performance of leading bodies of party organizations. Discipline inspection, organizational, propaganda, and work committees of the party at all levels should go all out to grasp party building, and should give play to their function as advisers and assistants of party committees. Party-member cadres holding administrative leading posts should seriously, conscientiously, and positively attend to the work concerning party building in the course of doing their own jobs well.

We should strive to build up a powerful and capable ranks of party building workers. We should readjust and provide party affairs cadres in line with the principle of being capable and highly-efficient. We should maintain the relative stability of the ranks of party affairs workers, try every possible means to create opportunities for party affairs workers to conduct further study and temper themselves in order to constantly improve their expertise. The vast number of party affairs workers should do their own jobs well with a high sense of mission and responsibility to make contributions to party building during the new period.

We should maintain unity of ideology and action among party organizations.

Maintaining unity of ideology and action among all levels of party organizations and the vast number of party members constitute the basic guarantee for enhancing the cohesion and fighting capacity of the party as well as the basic guarantee for displaying the role of the party as the core of leadership. In grasping party building, we should concentrate on grasping ideological building by truly integrating the ideas of the vast number of party members and cadres with the line, principles and policies adopted since the 3d plenary session of the 11th party Central Committee and with the guidelines of the 4th plenary session of the 13th party Central Committee, so as to really change the situation in which some party organizations and party members are confused in ideology and are different in actions.

At present, an urgent task facing party organizations at all levels throughout the province is to organize the vast

number of party members to conscientiously study the important documents adopted by the 4th plenary session of the 13th party Central Committee as well as Comrade Deng Xiaoping's book entitled "Important Expositions on Upholding the Four Cardinal Principles and Opposing Bourgeois Liberalization," and use these documents and book as a weapon to unify the ideology of the entire party and to promote work in all fields. All party members and cadres should regard the important documents of the 4th plenary session of the 13th party Central Committee and the important book of Comrade Deng Xiaoping as the basic content of study, and repeatedly read them in order to obtain a comprehensive, correct, and profound understanding of the essense of these documents and book. Through study, party members and cadres should come to understand that the central authorities' judgement on the current incident is appropriate, the analysis of the source of the current incidents is penetrating and thorough, and the measures taken to counter the current incident are completely correct; should come to understand that the mistakes and harm caused by Comrade Zhao Ziyang are extremely serious and the continuous investigation of him is completely necessary; should come to understand that the lesson drawn from the current incident is extremely profound, and, in particular, the four cardinal principles which are regarded as the foundation for building up the country, and the two basic points of reform and opening-up, which are considered the way to make our country strong, must be implemented comprehensively and unswervingly without any partiality and wavering; should come to understand that showing no consideration for the general interest and trying to split the party will not enjoy popular support within the party and among the people, and the conscious maintenance of the unity and solidarity of the party constitutes the foundation and source of the fighting force of our party; and should come to understand that the reorganization of the central leading core conducted by the 4th Plenary Session of the 13th CPC Central Committee has provided an organizational guarantee for strengthening party leadership, for maintaining the continuity and stability of the party's policies, and for sefeguarding the long-term stability and order of the country, and has extremely important significence in further stabilizing the situation of the whole country and in winning an even greater victory in construction and reform.

We should adopt diverse forms, and apply diverse means to make good organization and arrangements for studying the documents of the 4th plenary session of the 13th CPC Central Committee as well as the book entitled "Important Expositions on Upholding the Four Cardinal Principles and Opposing Bourgeois Liberalization." The 3 million party members in the province should all be trained with these documents and book by stages, in groups, and on a rotational basis, in addition to attending routine study classes. Party schools at or above the county level should be responsible for training the party-member leading cadres at or above the township

and town levels. Party members in rural areas, enterprises, establishments, and other grassroots units should be trained on a rotational basis by the party schools run by townships, towns, enterprises, establishments, and other grassroots units. Propaganda and education departments under party committees at all levels as well as various journalist and media units should shoulder the duty of helping party committees give good guidance to study and education.

Party committees should strengthen the regular work of ideological education. Not only should they vigorously carry on and carry forward the party's fine tradition on ideological education, but also should constantly explore and summarize new experiences and new methods to successfully conduct the work of ideological education under the new situation. In line with the reality of construction and reform, they should firmly and unswervingly conduct education on the basic theories governing the Marxism-Leninism-Mao Zedong thought, education on upholding the four cardinal priciples and opposing bourgeois liberalization, education on the purpose of wholeheartedly serving the people, education on the Communist ideals and arduous struggle, and education on party spirit and party discipline. They should also conscientiously eliminate the influence from selfish departmentalism, individualism, money worship, and the worship of things foreign, to preserve the ideological purity of the party.

We should build all levels of leading bodies well to suit the demands of the new situation.

In building leading bodies, we should pay special attention to their ideological and political expertise on the prerequisite of upholding the principles of bringing to leading bodies a great number of cadres who are more revolutionary, younger, better educated, and professionally more competent; and should strive to build all levels of the party's leading bodies into a strong and united headquarters which firmly follows the party's basic line. wholeheartedly serves the people, and maintains administrative honesty, so as to ensure, in the field of organization, the implementation of the line, principles, and policies defined since the 3d Plenary Session of the 11th CPC Central Committee, and the "one focus and two basic points." At present, to pass the test of ideological and political expertise, we must strictly prevent the sort of people who are seriously affected by the idea of bourgeois liberalization, who indulge in forming factions and small coteries and in undermining solidarity, who have a dishonest style of work and deviate from the masses, who are seriously affected by individualism, and who scramble for fame and gain, keep from entering leading bodies. If there are such persons in leading bodies, we should first conduct serious criticism and education, and second, drive them away as they deserve. At the same time, we should pay attention to testing and discovering competent persons from practice, and should select and promote those excellent young and middle-aged cadres who have both ability and political integrity to leading posts in a timely manner or list them

as reserve cadres. In selecting and giving promotion to cadres, we should fully follow the mass line, and handle affairs in strict accordance with stipulated procedures. We should never allow the practice of appointment by favoritism and other evil trends to affect the cadre personnel work.

We should strengthen the training and tempering of leading cadres at all levels with a view to changing the situation in which some cadres lack an understanding of basic Marxist theories, are poor at commanding the overall situation and solving complicated contradictions, are unfamiliar with the party's fine traditions, and lack strict participation in inner-party activities. Party committees at all levels should formulate feasible plans and measures to ensure that all leading cadres at the prefectural and city levels will attend a certain period of off-service rotational training courses once every 2 or 3 years, and all leading cadres at the township and town levels will attend such courses once every 1 or 2 years. It should also be guaranteed that every year all leading cadres will schedule about 2 weeks of time to read some books, to study the basic Marxist theories, and to think over and discuss those conspicuous ideological problems crying for solution so that they will constantly make progress in integrating theories with practice. Party schools at all levels should reform teaching content and methods, improve teachers' expertise, and raise the quality of training so as to make a contribution to training a great number of competent leading personnel. We should firmly carry out the system of exchanging cadres and avoiding a unit's employing relatives, and should create conditions for cadres to broaden their outlook, enrich their knowledge, extricate themselves from all kinds of shackles, and work boldly.

It is necessary to strictly assess and supervise the leading bodies of party committees at various levels. Party committees should comprehensively assess the leading bodies of party committees at next lower levels once a year, and should report the assessment results to the leading bodies to be assessed. The assessment should be conducted in line with the principle of paying attention to practical achievements. The assessment of moral integrity and ability should be conducted according to the assessment of practical achievements. The assessment of administrative honesty should be regarded as a main content of the assessment of moral integrity. Through strict assessments, we should adopt measures for the timely solving of problems, if found.

Leading bodies at various levels should strive to upgrade the level of leadership; and enhance their ability in telling truth from falsehood, persisting in an accurate political orientation, having the situation well in hand, taking the overall situation into consideration, conducting reforms, blazing new trails, judging the hour and sizing up the situation, applying scientific methods to make policy decisions, eliminating contradictions, handling practical problems, and coordinating and promoting the progress of work. We should go through scientific procedures and carry out accurate methods for

making policy decisions to further upgrade the work of making policies by democratic and scientific means, use the party's accurate policies and our exemplary role to persuade and mobilize the broad masses of party members, and arouse the enthusiasm of the people of all circles to fulfill the tasks assigned by the party. We should strengthen the party's leadership over the work in all fields; further balance the relationship between party committees and People's Congresses, governments, the Chinese People's Political Consultative Conference organizations, judicial organizations, mass organizations, and other social organizations; and make these organizations exercise their functions under the leadership of the party and bring their roles into full play. Through launching party organizational activities and bringing party members' role into play, these organiza-tions should unify the thinking and action of the people in all fields. We should formulate and improve, stepby-step, rules for the work of party committees at various levels to bring their functions into play. It is necessary to further perfect the system of collective leadership, the system of democratic centralism, rules for discussing affairs at party committee plenary sessions and Standing Committee meetings, and work systems. Leading bodies should conduct regular activities to make criticism and self-criticism and conduct supervision in and outside the party.

 We should adopt effective measures for punishing the corrupt and maintaining administrative honesty.

Under the new situation characterized by reforms, the opening to the outside world, and the development of the commodity economy, the struggle against corruption is getting sharper. This is a big matter relating to the fate of the party. The majority of the comrades in our party have maintained the true qualities of being honest in performing official duties. However, the corrosive phenomena are spreading. Thus, the party's image and prestige have been damaged. Party organizations at various levels should unswervingly wage the struggle against corruption, and apply various effective means to comprehensively eliminate various kinds of corrosive phenomena and dishonest activities with the focus on exchanging power for money. It is necessary to strictly carry out the system of higher levels assuming the responsibility for checking the corrosive phenomena among the next lower levels. Top leaders of the party and government organizations at various levels should assume responsibility for the honesty of leading bodies. At the same time, leaders at various levels should assume the responsibility for the honesty of the units where they are working. Each and every party-member leader should formulate roles for himself in regard to the maintenance of administrative honesty, and realistically ensure the attainment of the following requirements: 1) Do a good job in administering himself and set an example for the people; 2) do a good job in administering his children, relatives, and subordinates; and not allow them to exercise special privilege and violate law and discipline; 3) bravely wage the struggle against various corrosive phenomena.

In addition to issuing the relevant regulations on punishing corruption and having personnel perform their official duties honestly, which should be earnestly observed by party members and cadres across the province, the provincial party committee and the provincial People's Government have again put forward the following eight measures and provisions on combating or correcting dishonest behaviors: 1) Wives and children of cadres at or above the county level, including retired cadres, are not allowed to open businesses or enterprises in any form and to engage in "official or private speculations" to illegally seek profits by taking advantage of their influence of leading posts. 2) No party and government organs are allowed to buy cars outside the purchase plan. All cars which have been bought with extra funds should be confiscated and handed over to the units of developing education and other undertakings. They are also not allowed to buy imported luxury cars and to lease a car on a long-term basis. 3) Party members and cadres are not allowed to build private houses arbitrarily in urban areas. Public funds and money and materials borrowed from the masses, which have been used in building the houses, should be returned to the authorities or owners. In building houses actually needed by urban areas, efforts should be made to strictly enforce the procedure of examination and approval and to carry out unified plan and construction operation in line with the standard. No cadres are allowed to occupy extra houses and those who have illegally occupied more houses should return them to others. 4) Efforts should be made to strictly prohibit departments from distributing bonuses and materials arbitrarily and from buying products from the grassroots level units by paying them in a "symbolic form". 5) Cadies in the party and government organs at all levels throughout the province are not allowed to host banquets or to attend a banquet to help entertain guests while making contacts between superiors and subordinates or among the same level units. 6) No leading cadres are allowed to approve the applications arbitrarily by taking advantage of power and position and the management and distribution of all personnel, funds, and materials should be impartially carried out by the relevant functionary departments which should strictly follow the policies and regulations. refrain from making a gift of something and making a back-door deal, and strictly enforce the principle of "two opennesses and one supervision". 7) The promotion and transfer of cadres should be carried out by the organizational and personnel affairs departments in line with the procedure of the party's policies and regulations. Those who have been exposed for giving gifts or bribes to buy "official posts" and for accepting gifts or bribes to sell "official posts" should be strictly investigated and dealt with. 8) Party members and cadres are strictly prohibited from holding their family wedding ceremony and funeral in a big way; to accept money and gifts by taking advantage of power and position; to use a public car for private use; and to indulge in the activities of feudalism. superstition, and gambling. Those who have violated the

aforementioned regulations should suffer strict disciplinary sanction and those who have violated the law should be punished in line with the law.

Party organizations at all levels should earnestly and continuously check their local malpractices and corrupt phenomena and arouse the masses to expose cases and to report them to the authorities. As for the exposed serious cases of making deals between power and money, we should organize all forces to investigate them within the date and to strictly deal with them in line with the law and discipline. Meanwhile, we should vigorously publicize and commend a large number of good party members and cadres who represent the party's essential or main aspect under the new situation so as to enable their deeds to be widely spread, to be known by everyone, to affect public opinions, and to encourage the healthy trend. A good job should be done in realistically building systems, adequately separating party affairs from the administrative affairs, and having the broad masses of party members and the people better play their role of supervision. We should also gradually establish the mechanism of maintaining a balance among rights.

5. We should earnestly enforce the party's discipline.

The party's combating strength is ensured by the ironclad discipline. Party organizations at all levels should integrate their work with the program of improving the economic environment and rectifying economic order and with the principle of summarizing the lesson gained in the disturbance and the counterrevolutionary riot in Beijing Municipality to educate the broad masses of party members, particularly party-member leading cadres, to further enhance their sense of abiding by discipline; to resolutely overcome the evil phenomena of anarchism, splittism, and liberalism; to consciously safeguard the leading authorities of the CPC Central Committee, to implement to the letter the party's directives and the state law, orders, and policies; and to act highly and in unison with the CPC Central Committee in the fields of politics and ideology.

We should resolutely overcome the trend of being lax. overlenient and too soft in implementing discipline, and should investigate and deal with all lawless acts and cases on discipline violation without exception, regardless of whether they are party organizations or party members and regardless of their positions, high or low, and their contributions, big or small. Party members who stubbornly persisted in the bouregois liberalization stand, lost their party stand or violated party discipline during the turmoil and counterrevolutionary rebellion must be given strict disciplinary sanction until they are expelled from the party. Those who violated discipline or committed a crime should be punished in accordance with the law by the judicial organs. Party members who participated in "bureaucratic racketeering" or "private profiteering," must be resolutely handled whenever they are discovered. The party organizations concerned should be called to account if they fail to give due punishment to those party members who ran counter to

the party principle or violated party discipline. To eliminate the interference of the trend of pleading for mercy for someone or establishing a network of connections, the provincial Discipline Inspection Commission should step up its efforts to formulate guidelines on punishing party members who interfered with the investigation of cases on discipline violation. We should fully display the functional role of the discipline inspection departments and support them in adhering to principles and in performing their duties justly. It is necessary to display the supervisory role of the press media departments, democratic parties and mass organizations and combine them organically with the inner party discipline.

We should adhere to the standards required of party members and raise their quality.

The strength and role of the party do not mainly depend on the number of party members, but on their quality. We should regularly organize party members to study the party Constitution and the "guiding principles" and the party's basic knowledge, enable them to understand party rules and laws, the rights and obligations of party members, always bear in mind that they are Communist Party members, and consciously display their vanguard and exemplary role in various tasks. We should educate the broad masses of party members to maintain and promote at any time the proletarian revolutionary spirit, the revolutionary enthusiasm plus death-defying spirit advocated by Comrade Deng Xiaoping, the spirit of strictly observing discipline and self-sacrifice, the spirit of selflessness and putting other people's interest ahead of one's own, the spirit of crushing every enemy and eliminating all difficulties, and the spirit of persisting in revolutionary optimism and elmininating every difficulty to win a victory. By using the exemplary role of each and every party member, we should spread these five spirits to the broad masses of people and make them become one of the important pillars in our socialist spiritual civilization

We should conscientiously attend to the work of dealing with unqualified party members, and eliminate all corrupt elements, elements who stubbornly persist in the bourgeois liberalization stand and elements who seriously violate discipline and law inside the party whenever they are discovered. We should regularize the work of dealing with unqualified party members, and this work should be carried out on the basis of conducting the annual democratic appraisal for party members, so that it will have a mass base. We should strengthen management and education over those persons who left the party contingent and encourage them to serve as good citizens.

We should persist in the standards required of party members, and take active, steady and reliable steps to recruit new party members. Efforts should be made to foster and strictly examine activists who want to apply for party membership. Special attention should be paid to examining whether their motives for joining the party are pure, whether they really support and are willing to implement the party Constitution, party program and the party line, and whether they have faith in communism and will struggle for it. We should pay attention to the education and investigation of probationary party members during their probationary period. Those who cannot attain the requirements for party members through investigation must not be allowed to become full members after the completion of the probationary period in an effort to guarantee the quality of new party members.

We should actually strengthen the building of party organizations at the grassroots level.

In light of the different circumstances of the countryside. plants, shops, schools, organs, neighborhoods, and other grassroots units, we should actually strengthen the building of party organizations at the grassroots level. with focus on giving full play to the fighting role of the grassroots party organizations and to the vanguard and exemplary role of party members. The grassroots party organizations in the countryside should regularly pay attention to consolidating paralysed and semi-paralysed bodies whenever they are discovered. In a county, the number of paralysed and semi-paralysed bodies should not exceed 5 percent. If this figure is exceeded, party committee of the county should be called to account. The building of party organizations in the countryside should be focused on selecting and providing good leading bodies, especially good party branch secretaries, so that they can lead the masses develop commodity production, achieve the goal of common prosperity, and build spiritual civilization. Party organizations of plants, schools, and other enterprises and establishments should actively conduct party activities and give full play to their due role in line with the special features of the new period; and should, in particular, play a key role in strengthening ideological and political work. We should build a backbone contingent of ideological and political workers, and provide political work cadres and set up political work organs in line with guidelines. Political work cadres and cadres working for other professional sections and offices should enjoy equal remunerations. Party organizations of state organs should emphatically play their due role in strengthening ideological and political work, maintaining administrative honesty, and raising work efficiency.

We should improve the form of party organizations at the grassroots level and the methods of activity of these organizations. All party members should be organized to participate in party activities so that they can receive education and supervision from regular activities and truly exploit their vanguard and exemplary role. We should summarize and publicize such feasible systems or methods as the management of party member by object, the party member service area, the party member association for discussing official business, the democratic appraisal for party members, the liaison men of political life meeting, and the "two unifications and one assignment,"—unifying party member activity day, attending party classes in a unified manner, and assigning special persons to manage party members who

are away on official business. We should exercise strict control over party organizations, enliven inner-party activities, pay special attention to improving the quality of the party's organizational activity meetings, conscientiously conduct criticism and self-criticism, strive to realize the unification of rights and duties of party members, and further enhance the sense of party spirit of party members.

Party-member cadres at the grassroots level should learn to do work relating to the party and the masses under the new situation, strengthen their sense of service, and overcome unhealthy styles of work. They should be concerned with the immediate interests and practical problems of the masses, such as dangerous houses or schools, traffic jams, the housing shortage, and problems in fuel, rice, oil, and salt; and they should try their best to solve these problems. Party-member cadres at the grassroots level should also constantly maintain close relations with the masses with their own model deeds and solid work. Party committees at higher levels should not only set strict demands on grassroots party members, but should also show concern and give comprehension and support to these party members, and solve problems for them, so that they can better serve the party and the people.

Hebei Secretary Addresses Army Day Party

SK2508075789 Shijiazhuang HEBEI RIBAO in Chinese 30 Jul 89 p 1

[Excerpts] The provincial party committee and the provincial government held a tea party on the afternoon of 29 July. At the tea party, leading comrades of the party, government, and army organs in the province's capital; family members of revolutionary martyrs and servicemen; injured and disabled revolutionary soldiers; demobilized and retired soldiers; and representatives of retired military cadres happily met together to warmly celebrate the 62d anniversary of the founding of the People's Liberation Army [PLA] of China.

Yue Qifeng, deputy secretary of the provincial party committee and governor of the province, presided over the party and made a speech. Xing Chongzhi, secretary of the provincial party committee, also made a speech. On behalf of the provincial CPC Committee, the provincial Advisory Commission, the provincial People's Congress Standing Committee, the provincial government, the provincial Committee of the Chinese People's Political Consultative Conference, and the provincial Discipline Inspection Commission, Xing Chongzhi first extended festive greetings to all the 'roops, institutes, and hospitals of the PLA stationed in the province; all the commanders and fighters of the provincial People's Armed Police Force; and all the comrades of the provincial Military District, Military subdistricts, garrison districts, and people's armed departments. He also expressed sympathy and solicitude for all family members of revolutionary martyrs and servicemen, injured and disabled revolutionary soldiers, demobilized and retired soldiers, and retired military cadres in the province.

Xing Chongzhi said: The fighting career of the PLA over the past 62 years is a history in which commanders and fighters

of the entire Army have fought together with the people, and achieved a succession of brilliant victories under the leadership of the party by following the purpose of wholeheartedly serving the people and regarding the work of defending the causes of the party and the people as their own duty. The PLA units stationed in the province have always carried forward the true revolutionary qualities and fine traditions of the People's Army during the protracted revolutionary struggle. They have not only scored conspicuous achievements in making the troops more revolutionary, regularized, and modernized, and in supporting the province's reform, opening up, and the two civilizations; but also made tremendous contributions to the current struggle of quelling the counterrevolutionary rebellion. Together with the fraternal troops enforcing the martial law task, they have vigorously surmounted every difficulty, fought unitedly, and successfully fulfilled the sacred mission of checking the turmoil and quelling the rebellion. What has happened proves once again that the PLA deserves to be called a heroic army which is armed with Marxism-Leninism-Mao Zedong Thought and is loyal to the party and the people; and deserves to be called a strong pillar of the socialist People's Republic, the brave defender of the people's interests, and the most beloved of the new times.

Xing Chongzhi said: During the new historical period, we should educate the vast number of the masses to not only remember where their happiness comes from, but also to be prepared for danger in times of peace; to be aware of the truth that there will be no stability without the Army; and to better love, propagate, learn from, and support the PLA. We should warmly consider the difficulties of the Army, take its needs into account, provide convenience for it in various fields, and actually ensure their supplies. We should earnestly implement the state principles and policies governing the allowances to the family members of revolutionary martyrs, and further implement various measures in this regard. We should positively attend to the settlement of cadres transferred from military to civilian work, retired cadres, and retired and demobilized soldiers; and should actually guarantee the livelihood of family members of revolutionary martyrs and servicemen, injured and disabled revolutionary soldiers, and demobilized and retired soldiers. We should try every possible means to relieve the trouble back at home for the vast number of PLA commanders and fighters so that they can concentrate on fulfilling the sacred missions entrusted on them by the party and the people.

Zhu Zengquan, political commissar of a certain combined arms army, made a speech at the party on behalf of the PLA units stationed in the capital of the province. [passage omitted]

Among the party, government, and army leading comrades who were present at the 29 July tea party were Zhang Chao, Bai Shi, Liu Ronghui, Chen Yujie, Li Haifeng, Yang Zejiang, Wang Dongning, Guo Zhi, Liu Bingyan, Xie Feng, Yue Zongtai, Wang Youhui, Zou Renjun, Zhang Runshen, Xu Chunxing, Du Jingyi, Wang Enduo, Huang Feng, Yu Zhenzhong, Wang Shusen, Dong Naifang, Hu Rulei, Li Yongjin, Liu Zongxin, Zhang Mingyuan, Wang Xianzhi, Li Can, Zhang Xinhui, Dong Xuelin, Ren Peiyu, Huang Xinsheng, Chen Chungeng, Guo Hongxiang, Shi Cuiyan, Yang Zeran, Zhang Jiapeng, Liang Xiutian, Sun Lishi, Lu Shengfa, and Guo Weile.

Leaders Attend NPC Deputy's Hebei Funeral

SK2608052189 Shijiazhuang HEBEI RIBAO in Chinese 25 Jul 89 p 1

[Excerpt] On the morning of 24 July, provincial leaders and representatives from various circles totalling more than 1,000 went to the funeral home of Shijiazhuang City to pay their last respects to the remains of Comrade Wang Zheng, an outstanding member of the CPC, a long-tested loyal communist fighter, and proletarian revolutionary.

Comrade Wang Zheng died of illness in Shijiazhuang on 16 July at the age of 74. He was a deputy to the 1st National People's Congress [NPC], and the 8th and 12th National Party Congresses. He once assumed such important posts as Standing Committee member, deputy secretary, second secretary, secretary of the provincial party committee, and leader of the preparatory group for the provincial Advisory Commission.

The funeral house was filled with a solemn silence and funeral music. Wreaths sent by central leading comrades, including Wan Li, Peng Zhen, Li Tieying, Qin Jiwei, Bo Yibo, Song Renqiong, Xi Zhongxun, Wang Ping, Jiang Hua, Huang Huoqing, and Lu Zhengcao, were placed on both sides of Comrade Wang Zheng's remains. Wreaths sent by Comrade Wang Zheng's wife, Liu Jun, and his children were placed in front of his portrait.

Attending and sending wreaths to the ceremony were provincial leading comrades, including Xing Chongzhi, Yue Qifeng, Lu Chuanzan, Yang Zejiang, Guo Zhi, Zhang Chao, Qu Weizhen, Bai Shi, Liu Ronghui, Chen Yujie, Li Haifeng, Wang Dongning, Yale Zongtai, Liu Ying, Wang Youhui, Zou Renyun, 'Song Shuhua, Li Feng, Xu Chunxing, Du Jingyi, Wang Enduo, Ma Xinyun, Wang Shusen, Huang Lan, and Yu Zhenzhong, as well as Comrades Li Yongjin and Liu Zongxin. They bowed to show their grief in front of Comrade Wang Zheng's portrait, and expressed heartfelt condolences to Comrade Wang Zheng's wife Liu Jun and his children.

Members of the Central Advisory Commission, and Standing Committee members of the NPC and the National Committee of the Chinese People's Political Consultative Conference, including Guo Feng, Zhang Shuguang, Li Qingwei, Song Li, Yang Kebing, Liu Bingyan, Xie Feng, and Li Tao, attended the ceremony and sent wreaths.

Also attending and sending wreaths to the ceremony were Quan Shuren, Wang Wentong, Lu Rencan, Guan Shanfu, Liu Hansheng, Zhang Jianmin, Jia Yunbiao, Li Buying, Jia Huisheng, Yu Jingqing, Zhang Qixiang, Liu Yun, Yin Zhe, Hu Kaiming, Cao Youmin, Niu Shucai, Huang Hua, Han Qimin, Zhou Xueao, Lan Kaimin, Jia Qiyun, Lu Zhiguo, Xu Ruilin, Ma Zhuozhou, Zeng Mei, Fei Guozhu, Zhang Zhenchuan, Hua Binglai, and Liu Zhiqi. [passage omitted]

PRC Student in Korea Granted Taiwan Passport

OW2808033889 Taipei CNA in English 0244 GMT 28 Aug 89

[Text] Taipei, Aug. 28 (CNA)— Premier Li Huan Sunday instructed the Foreign Ministry to extend assistance to a Mainland Chinese student now in Korea, Yang Po, granting him an ROC [Republic of China] passport.

Yang, 20, organized an anti-communist demonstration in Japan to show his outrage over the People's Liberation Army's bloody suppression of freedom-seeking mainland students and civilians on June 4 at Tienanmen Square.

Yang and his Korea-born Taiwanese girlfriend, Sun Hsiu-chuen, are seeking political asylum at the ROC Embassy in Seoul, after arriving in South Korea from Japan last month.

His Chinese Communist traveling document expired Sunday, and South Korean authorities planned to send Yang back to Mainland China.

In a statement late Sunday, the Foreign Ministry said that it has followed Premier Li's directive to instruct the ROC Embassy in Seoul to issue a new passport to Yang, fulfilling Yang's wish to get married with his girlfriend in Seoul and pursue his studies there. Meanwhile, Legislator Jaw Shaw-kong Sunday urged the government here to assist Yang Po to come to Taiwan or any country he wishes, based on political conscience and the love for Chinese compatriots.

In an urgent written interpellation to the Executive Yuan, Jaw made the appeal to help Yang, who studied at Kawasaki Business College in Japan before he fled to Seoul.

Jaw pointed out that many mainland students and freedom seekers have sought political asylum at ROC missions or legations overseas following the June 4 troop massacre in Peking.

Dissident Li Hsien-zong Leaves 24 Aug

OW2708072189 Taipei Domestic Service in Mandarin 2300 GMT 24 Aug 89

[Text] Li Hsien-zong, president of the World Formosa Association, who has been ordered to leave Taiwan, left his residence on Chinchou Street at 0650 this morning, and took a car to the Chiang Kai-shek International Airport via the freeway according to the latest report. He was accompanied by people from the Democratic Progressive Party. He will leave Taiwan by plane.

The police made these arrangements through coordination last night and did not take any action to force Li Hhien-zong to leave. Li Hsien-zong made his own decision. The police just followed him and did not take any measures.

Hong Kong

Deadline on Basic Law Opinions Postponed

OW2608122089 Beijing XINHUA in English 1138 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—The deadline for soliciting opinions on drafting the Basic Law for the Hong Kong Special Administrative Region has been postponed until the end of October, according to a decision of the chairmanship meeting of the National People's Congress (NPC) Standing Committee. The original deadline was set for the end of July.

Zhang Husheng, spokesman for the General Office of the NPC Standing Committee, told reporters today that the postponement was proposed by Ji Pengfei, chairman of the Basic Law Drafting Committee. However, he said, the decision must still be confirmed at the Ninth Session of the NPC Standing Committee scheduled to begin next Tuesday.

The postponement is mainly due to the failure to complete the work of soliciting opinions on time because of the anti-government riots in parts of the country during the April-June period, the spokesman explained.

PRC Liaison Group Member Refutes UK Comments

HK2708043889 Hong Kong TA KUNG PAO in Chinese 27 Aug 89 p 8

[Report: "Chinese Representative on the Sino-British Joint Liaison Group Refutes British Counterpart's Remarks"]

[Text] Regarding the speech delivered by Martin, a member of the British team to the Sino-British Joint Liaison Group, a member of the Chinese side made the following response at the request of a reporter from Hong Kong Radio. The Chinese representative said:

"Since the establishment of the Sino-British Joint Liaison Group in 1985, the Chinese side has firmly implemented the various provisions of the Sino-British Declaration. Upholding the principle of sovereignty as well as adopting a flexible and practical work method, we have maintained friendly cooperation with the British side, and have done fruitful work for Hong Kong's prosperity and stability and for the smooth transition to 1997. These are generally acknowledged facts. Following its base set up in Hong Kong last July, both sides of the liaison group further increased their cooperation and reached an agreement on the procedures of work, which includes the regular meeting held every week between both parties and the meeting between the chief representatives at the interval of two liaison group meetings. Following the 4 June incident in Beijing, however, the British side unilaterally terminated its contacts with the Chinese team under the excuse of untenability and postponed the 13th liaison group meeting scheduled for July in London. This irresponsible move has produced a

serious negative impact. When the foreign ministers of the two countries met in Paris last month, both sides agreed to resume the liaison group work, and decided that the postponed 13th liaison group meeting be held from 27 to 29 September. However, the British side never made any official contacts with the Chinese counterpart until Martin-accompanied by (William), newly appointed political advisor to the Hong Kong Government and a member of the British team to the Sino-British Liaison Group-called on Ambassador Ke Zhaishuo, chief representative of the Chinese team, on 24 August and met with another Chinese representative, Wang Jiaji, to make preparations for the 13th liaison group meeting. Mr Martin was evasive on the question whether his official contact with the Chinese team was tantamount to the resumption of the liaison group work. He made a statement recently saying, "we have resumed contacts with the Chinese side" and "the regular weekly meetings between the two sides were held when necessary; there were no hard and fast rules in this regard." What does he mean by this statement?

"The 13th liaison group meeting set for the end of September will be an important meeting since the resumption of the liaison group work. Both sides have placed great hopes on the meeting and expect that the meeting, as usual, will be conducive to increasing confidence and maintaining Hong Kong's prosperity and stability. However, reports say that 'it will be impossible for the upcoming liaison group meeting to follow the line of the past; the most important thing is to solve the major issues.' Moreover, it has been disclosed that the British side will issue a statement at the liaison group meeting, explaining their views on the 4 June incident. All this shows that the British side is prepared to further increase the differences of principle between the two sides on a number of major issues in spite of the liaison group's existing tradition of friendly cooperation and the spirit and essence of the Sino-British Declaration, and make the liaison group a place for endless disputes. If this is true, besides undermining the foundation of the liaison group work, it will neither help increase confidence in Hong Kong nor benefit any side. We hope that the British side will think twice before taking action."

PRC Rules Out Discussions on Local Garrison

HK2308030989 Hong Kong HONGKONG STANDARD in English 23 Aug 89 p 1

[By Stanley Leung]

[Text] Chinese authorities have ruled out any discussions on whether Chinese troops should be stationed in Hong Kong after 1997.

A mainland official, who preferred to remain anonymous, said the question would not be discussed by the Sino-British Joint Liaison Group (JLG).

The stationing of Chinese troops in the Hong Kong Special Administrative Region was indisputable, he said.

A spokesman in Beijing said the stationing of troops in Hong Kong was of symbolic as well as strategic importance.

"It is a demonstration of China exercising sovereignty over Hong Kong," he said yesterday.

British officials planned to raise the issue at the next JLG session, scheduled for next month.

The British side wanted an agreement at the meeting that troops would not be stationed in Hong Kong.

But they would have settled for an assurance that soldiers would not adopt a high profile.

The Governor, Sir David Wilson, has linked the issue to restoration of confidence in the territory after events on June 4.

The mainland official said it was unlikely Beijing would evade defence questions at the meeting.

He said practical arrangements for Hong Kong's defence and the maintenance of its public order would be discussed.

This was common practice at full JLG sessions, he said.

Issues to be discussed would include the transfer of defence responsibilities from the British garrison to the Chinese troops and the strengthening of the police force to take up border patrols.

The official said the Chinese team had not yet resumed contact with its British counterparts in Hong Kong.

At a meeting between their foreign ministers on July 30, China and Britain agreed to hold the JLG meeting between September 27 and 29.

The British have insisted Beijing give an assurance at the meeting that they will do something to restore confidence in Hong Kong.

Meanwhile, the Chinese authorities have continued attacks on recent remarks made by the Secretary for General Duties, Mr Barrie Wiggham, and the British minister with special responsibility for Hong Kong, Mr Francis Maude.

Both raised questions about the desirability of stationing the PLA [People's Liberation Army] in post-1997 Hong Kong.

A commentary published in yesterday's pro-Beijing TA KUNG PAO gave four reasons why it thought their remarks were "ridiculous".

"It is even more ridiculous that the British minister in charge of Hong Kong affairs described Beijing's reaction as ridiculous," it said.

It said Britain was being deliberately obstructive by raising the troops question.

The commentary said Mr Wiggham's views followed the same line of other British officials.

Mr Wiggham's views only reflected British interests rather than "the people of Hong Kong", it said.

Ji Pengfei Meets With Jaycees Delegation

OW2808102189 Beijing XINHUA in English 0938 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—Ji Pengfei, director of the Hong Kong and Macao Affairs Office under the Chinese State Council, met with a delegation from the Hong Kong Junior Chamber of Commerce here this afternoon.

Ji told Junia S.Y. Ho, national president of the chamber, "It is good for you to come and see with your own eyes the recent developments in Beijing after the antigovernment riot. We welcome more people to come here."

He reiterated that the Chinese Government will not change its policy of "one country, two systems".

Junia S.Y. Ho said she was delighted to come to study the situation here.

Xu Jiatun Views 'One Country, Two Systems'

OW2408061689 Beijing Domestic Service in Mandarin 0200 GMT 18 Aug 89

[From "News" program]

[Text] According to XINHUA, in his preface for SHIJIE JINGJI CONGSHU [WORLD ECONOMY BOOK SERIES] edited by the Hong Kong Southeast Information Center, Xu Jiatun, director of the Hong Kong branch of the XINHUA NEWS AGENCY, points out that under the one-country-two-systems concept, Hong Kong's future rests, first of all, with the Hong Kong people's own efforts. As long as the vast number of countrymen in Hong Kong continue to carry forward the glorious traditions of loving the country and Hong Kong, unite to become a strong force, and continue to take an active part in constructing Hong Kong, Hong Kong will have a bright future and will remain a good place where people can live in peace and enjoy their work.

Xu Jiatun maintains: The Beijing incident should have given us a clearer idea of the international situation, and particularly of the relations between China and Western powers. Certain countries in the West have never given up their attempts to bring socialist countries onto the capitalist track. One of their major tactics to do this is to promote peaceful evolution. They have been making every effort to bring about peaceful evolution in China in the hope that it will become a capitalist country during the course of reform and opening to the outside world. This reminds us that our study and emulation of the experiences of capitalist countries must serve the great

goal of building a socialist society with distinctive Chinese characteristics. That is to say, while we should assimilate and emulate all the useful experiences of the West compatible with the situation in our country, we should reject all those things which are incompatible with the situation in our country, and in particular, resist all those things which can jeopardize socialism.

Defecting PRC Athlete Holds Press Conference

Aided Fugitive Dissidents

HK2408024189 Hong Kong SOUTH CHINA MORNING POST in English 24 Aug 89 pp 1, 5

[By Daphne Cheng]

[Text] China's second best male swimmer, Yang Yang, yesterday announced that he had sought political asylum in Hong Kong for fear that he would face persecution if he returned to the mainland.

Mr Yang, 20, said he is worried about his safety because of his involvement in action supporting the student-led pro-democracy movement in China.

His press conference yesterday was arranged by the New York-based Chinese Alliance for Democracy, which China has named as an "outside force" responsible for inciting student protests on the mainland.

Mr Yang, who won more than 30 gold and silver awards for China since 1983 and was ranked the country's Number 2 swimmer last year, said he had been a secret member of the group for two years.

He claimed he was involved in helping wanted dissidents to leave China and had offered assistance to others.

He also said he was going into hiding.

A first-year student at the prestigious Qinghua University in Beijing, Mr Yang said he had been in the territory since March on a two-way travelling permit which expired last Monday.

He said so far he had only approached the Hong Kong Government and would turn to the United States or other European countries only if his application was rejected.

He applied to the Immigration Department for political asylum and an extension of his stay in Hong Kong earlier this month.

But so far he has received no reply from the local authorities.

The Hong Kong Government yesterday declined to comment on the case. "We cannot confirm it because we do not comment on specific cases," a spokesman said.

It is understood that the Government had referred the case to London as the territory is not a sovereign state.

The Government earlier indicated that assistance for genuine political refugees would be granted on a case-by-case basis.

The Secretary for Security, Mr Geoffrey Barnes, earlier said asylum seekers from China would be "dealt with in an appropriate way" and would not be repatriated automatically

Several illegal Chinese immigrants caught crossing the border after June 4 were said to have requested political asylum in Hong Kong.

But the Yang case is by far the only known incident in which a Chinese national has publicly sought political asylum here after the military crackdown in Tiananmen Square.

Mr Yang said: "Of course, the best home for me is China. But with my participation in the activities, I am really worried about my life. I wish I could go to a place where I can continue to excel in sport.

"I have not yet decided on a destination, but given the chance I would like to stay here."

Mr Yang, born in Beijing, pledged to continue with his pro-democracy activities so as to "help China to develop into a genuine democratic and rich nation".

It is understood that Mr Yang had tried in vain to secure assistance form the Hong Kong Alliance in Support of the Patriotic and Democratic Movement in China before he made his case public.

The general director of the local branch of the Chinese Alliance for Democracy, Mr Wong Min, called on the Hong Kong Government to accept Mr Yang's request on humanitarian grounds.

Mr Yang said he was also worried about the safety of his parents, who are in China.

He said his attempts to contact them had been unsuccessful.

"I hope the Chinese authorities will respect that this is my own decision and not to purge my parents."

Mr Yang has been a member of the Chinese national swimming team since 1983 and has represented China at various international competitions, including events in Hong Kong and Yugoslavia.

Mr Yang was the champion of the 200-metre medley in the 1987 Chinese national tournament.

He finished second in the same national event last year.

He was preparing for the 1990 Asian Games in Beijing before coming to Hong Kong.

In the 1986 Asia Pacific Age Group competition held here, he finished first in boys 15 to 17 100-metre backstroke. He also won the title for the 50-metre free style.

Asylum Reportedly Denied

HK2508015589 Hong Kong HONGKONG STANDARD in English 25 Aug 89 p 1

[By Fan Cheuk-wan]

[Text] The Government yesterday refused to confirm or deny a claim that it had rejected a request for political asylum from a top Chinese swimmer.

A Chinese dissident in Hong Kong said the Government has turned down a request from the championship swimmer, Yang Yang, before he made his first public appearance in the territory on Wednesday.

The dissident, Mr Wang Min, said Mr Yang was now in hiding and would not reappear till he had been granted asylum in Hong Kong or elsewhere.

Asked if Mr Yang's request had been turned down, the Government Secretariat said the Government would not comment on the handling of individual cases.

Mr Yang, 20, a leading member of China's national swimming team, is the first mainland Chinese to have openly requested for political asylum in Hong Kong since the crackdown on the student movement in Beijing on June 4.

Mr Wang, a Hong Kong-based member of the Chinese Alliance for Democracy, told the HONGKONG STAN-DARD yesterday that Mr Yang had been told by the Immigration Department to return to the mainland earlier this month.

Mr Yang has been in the territory visiting his aunt since March, but his double-entry permit expired last Monday.

At a press conference on Wednesday, Mr Yang said he had applied for political asylum with the Immigration Department early this month and was waiting for a reply.

However, Mr Wang, who accompanied Mr Yang said the swimmer's request was rejected earlier this month.

"Yang was told by the department that his double-entry permit could not be extended and he would not be allowed to overstay in the territory," he said.

"Yang was notified that he would be repatriated to the mainland according to Hong Kong laws."

Mr Wang said Mr Yang did not want to return to China because he was worried about being arrested.

Mr Yang also claimed on Wednesday that he was a secret member of the Chinese Alliance for Democracy for two years.

The New York-based pro-democracy organisation, which mainly comprises overseas Chinese students in the U.S. was outlawed by Beijing and accused of instigating the recent "counter-revolutionary" rebellion.

Mr Wang said Mr Yang had decided to make public his appeal for asylum because he was being followed by secret agents from China.

"Yang felt that he was in a dangerous condition," Mr Wang said.

"He did not want to be caught by the secret agents and taken back to the mainland quietly.

"That's why he decided to make a public appearance in Hong Kong and to announce his request for political asylum here. At least he could let the Hong Kong public know.

"Yang also hoped the Hong Kong public will show support for him so that the Hong Kong Government will allow him to stay."

But Mr Wang said the Government had not changed its mind since Mr Yang's press conference on Wednesday morning.

Mr Wang said Beijing was putting heavy political pressure on Hong Kong and this would weigh against Mr Yang's chances of asylum.

"Because of this political pressure it is highly unlikely that the Hong Kong Government will grant political asylum to Chinese dissidents who have fled here.

"Beijing has repeatedly criticised Hong Kong for being used as a counter-revolutionary base by supporting the pro-democracy student movement.

"If the Government grants political asylum to any Chinese dissidents sought by Beijing, it will only further irritate China.

"As far as I know, the Hong Kong vovernment will only help transfer the Chinese dissidents' requests for political asylum to other countries."

Mr Wang, who is studying for a Masters degree in art at Massachusetts University, said he had advised Mr Yang to seek political asylum in foreign countries.

"But Yang is too young and immature. He said he liked Hong Kong because he has come here several times to take part in swimming competitions," he said.

"Up till now, Yang has not delivered any official requests to foreign consultates in Hong Kong."

Police Use Tear Gas on Vietnamese Refugees

OW2808004889 Beijing XINHUA in English 0037 GMT 28 Aug 89

[Text] Hong Kong, August 28 (XINHUA)—Hong Kong police fired tear gas Sunday to quell an agitation among the Vietnamese boat people who threw stones and injured eight policemen.

The police reported they had put under control the disturbance Sunday afternoon which involved a large

number of boat people on the outlying island of Tai A Chau in the southwest of Hong Kong.

The incident occurred at about 10:30 am as police were distributing rice to boat people.

First report said that some Vietnamese, armed with metal bars and other home-made weapons, threw stones at the police officers on duty.

Eight policemen sustained injuries under the attack. Police then fired 41 rounds of tear gas to disperse the crowd.

It was the first time tear gas had been used to control the disturbances among Vietnamese refugees who fled here seeking a better life, a police spokesman said.

Under a screening policy adopted in June 1988, Vietnamese boat people will be granted refugee status and resettled overseas only if they can prove they fled political persecution in Vietnam. Otherwise, they would be considered illegal immigrants and face repatriation.

About 55,000 Vietnamese are now kept in detention centers in Hong Kong. Two-thirds of them are waiting to be screened.

There have been more reports recently about unrest among Vietnamese boat people who fought each other and caused injuries. Some attacked police who tried to prevent detainees from slipping through holes cut in the camp's wire fence.

Editorial Views U.S. Policy on Refugees

HK2308031389 Hong Kong SOUTH CHINA MORNING POST in English 23 Aug 89 p 20

[Editorial: "Hong Kong Has Big Lobbying Job To Do in America"]

[Text] Pressure on Hong Kong policy from the United States was increased yesterday with comments by two prominent American legislators, both visiting the territory. Republican senator Connie Mack and chairman of the U.S. House of Representatives sub-committee for Asian and Pacific Affairs, Mr Stephen Solarz, each turned the screw on local attitudes towards the problem of the boat people. Their remarks on mandatory repatriation indicate the great distance that Hong Kong still has to travel to deliver its message to the American public. Mr Solarz is an influential Democratic congressman, whose views on Asia count not only with the House of Representatives but also with the White House. His rejection of forced repatriation, likening the Vietnamese exodus with the Hong Kong people's search for security through emigration, is a signal that the territory has failed to explain its case. For the American people, the very idea of sending Vietnamese back home, after a perilous voyage to reach a safe haven from communism. is abhorrent, whereas many Hong Kong people feel it is perfectly reasonable, bearing in mind the treatment of mainland illegal immigrants.

Hong Kong's status as a dependent territory of the United Kingdom gives it no proper diplomatic status to plead its own case. It remains far away from convincing the British public, or a decisive majority in the British Parliament, about the wisdom of mandatory repatriation. Hong Kong has to tell the Americans that its patience, as well as its facilities, have been strained to breaking point by a port of first asylum commitment, which dates back more than a decade. Local resistance to continued hospitality to 55,000 boat people and refugees is mounting. The U.S. Government also should know that Hong Kong public resentment towards the Vietnamese is not solely motivated by ethnic hostility, but by the belief in the territory that a double standard is being applied. Visiting American politicians have to learn that the Hong Kong Government is finding it increasingly hard to justify shelter for any Vietnamese who reaches its shores, when mainland Chinese, some of them with relatives in the territory, are repatriated without the courtesy of a screening test. Chinese illegal immigrants caught working in Hong Kong are given mandatory jail sentences. The disparity in treatment has been a deep source of grievance for Hong Kong.

Executive and Legislative Councillors have pointed to another double-standard—this time in Washington. The U.S. authorities appear to have no qualms about repatriating Mexican, Honduran and other illegal immigrants back to Central America. Haitians who have fled the poverty and repression of their island state are often intercepted on the high seas and, after brief questions by the American Coast Guard, sent back. By drawing the dubious distinction that living under a communist regime is somehow less palatable than under military dictatorships and bankrupt countries, the U.S. Government has been able to excuse its actions, while refusing to sanction attempts by Britain and Hong Kong to come to an arrangement with Hanoi in which returning offenders would not be mistreated.

Hong Kong does not seek to incur the wrath of the U.S. America is Hong Kong's dominant market (last year it bought one third of all domestic exports from the territory), and the second largest source of foreign investment. The affinity between the U.S. and Hong Kong should not be jeopardised by a conflict over the fate of the boat people. Hong Kong is caught in the quandary of trying to settle the Vietnamese issue humanely, mollifying local public opinion, and yet being forced by sheer weight of numbers to contemplate a solution that depends upon the co-operation of one of the last hard-line communist states in Southeast Asia.

Hopefully, Mr Solarz and Mr Mack will return home with an insight into the complexities of the problem, and will be able to explain to the American Congress and Senate—which has threatened to impose trade and even immigration restrictions on Hong Kong if it initiates forced repatriation—that the issue is not as clear-cut as it might look from the other side of the Pacific Ocean. Mr Solarz acknowledged yesterday that Hong Kong has been extraordinarily generous to the Vietnamese, but he

should also realise that tolerance—and space—is running out. The decision to repatriate those not eligible for refugee status has not been taken lightly, or without awareness of its unpopularity in Western countries. But the attitude of the visiting legislators underlines the fact that Hong Kong has a very important lobbying job to do not only in Britain, but also in countries like the United States.

Investors Suspend \$5 Billion in PRC Projects

HK2408033989 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 24 Aug 89 p 12

[By Sandy Li Chau-wa]

[Text] A group of investors from Hong Kong, Taiwan, Japan and the United States have suspended implementation of their proposed industrial estate projects worth \$5 billion in Fujian and Guangdong.

Kein Ting, the chairman of the Hong Kong-Taiwan Trade Association, said the group decided temporarily to abandon the projects in light of the uncertain political and economic conditions in China.

Negotiations with the Chinese authorities were in their final stages prior to the killings in Beijing. But although the talks were stopped, they were likely to resume towards the end of the year, he said. He said the members of the group needed more time to consider participation since large sums of money were involved.

It is understood U.S. and Japanese firms have expressed interest in teaming up with the Hong Kong-Taiwan Trade Association for the projects.

The original plan was to develop a \$3 billion industrial estate in Mei Chow Wan, Fujian, on a 30-square-hectare site which would accommodate up to 1,000 factories. The factories would each have a gross floor area of 30,000 to 200,000 sq ft.

The other industrial estate project in Dongguan, Guangdong, would be similar in scale and cost about \$2 billion to develop.

Mr Ting said that while the political situation in Fujian and Guangdong was now more stable, foreign investors wanted to see further improvements before committing themselves.

The joint venture group worried less on land prices and more on the Chinese leadership and China's economic policies, he said. It was difficult to say if the group would cancel its proposed undertakings because this decision would depend on the political situation in China in the coming months, he added.

The Hong Kong-Taiwan Trade Association is also involved in another \$2 billion industrial estate project in Shenzhen.

But its implementation remained uncertain and the group would decide next month after meeting with Shenzhen officials, Mr Ting said.

The Taiwanese appear to be interested in the Shenzhen project as they intend to make it a point for reprocessing various products for reexport. It would enable them to avail themselves of China's cheap labour and lower land and development costs.

The Fo Tian Industrial Estate project is supported to produce 18 million square feet of industrial space, as well as industrial buildings with a total five million sq ft of gross floor area.

Taiwan Navy Expels Fishing Boats From Port

HK2408024789 Hong Kong HONGKONG STANDARD in English 24 Aug 89 p 1

[By Tammy Tam]

[Text] The Taiwanese navy has cleared more than 120 Hong Kong registered fishing boats out of the northern port of Keelung, accusing them of blocking the harbour and spying for the mainland.

"We were suspicious of their motives," the chief of Keelung's harbour police station, Mr Chang Hung-lin told THE HONGKONG STANDARD yesterday.

Keelung is used for both military and civilian purposes.

Mainland fishing boats have intruded en masse into Taiwan ports before, but this is the first time Hong Kong vessels have been accused of doing so.

Mr Chang said the about two-thirds of the crew on the Hong Kong-registered boats were mainlanders and it was unusual for so many fishing boats to be in port when the weather was so good.

"More than 120 boats were blocking the main entrance to the port, while about 200 other boats were following," he said.

"The police did not have enough forces to expel them, so we had to ask the navy for help.

Two naval patrol boats took part in the operation on Monday.

"Keelung is a military port," Mr Chang said. "We suspected that these boats might have been spying." He said the under Taiwan's National Security Law, those entering Taiwanese ports without a permit were liable to three years' imprisonment.

"But since it was the first time, we did not want to arrest anybody and we don't know where they will go next."

Meanwhile, the Koumintang-run CENTRAL DAILY NEWS on Tuesday has suggested that the boats were owned by pro-Beijing Hong Kong fishermen who came with instructions from the Communist Party's United Front Department to collect military information on the port, which harbours Taiwan's submarines. The paper quoted an experienced security officer as saying that after the June 4 crackdown in Beijing, the mainland had had to use its own boats to watch for escaping prodemocracy activists.

For this reason, he said, Beijing had asked Hong Kong fishermen to do the job of spying on Taiwan.

Keelung's harbourmaster, who declined to give his name, said Hong Kong-registered fishing boats could enter some Taiwan ports to shelter from typhoons and storms and to obtain supplies, but mainland boats were banned.

In Hong Kong, the chairman of the Joint Association of Hong Kong Fishermen, Mr Philip Lai, said that although there was a left-wing fishermen's association in the territory, most Hong Kong fishermen knew little about politics.

He said Hong Kong boat owners often hired crew from Zhuhai and Shenzhen with approval of the local governments and it was hard for them to tell whether some of them were secret agents.

"I don't think so many Hong Kong fishing boats would have tried to intrude into Keelung Port at the same time with such a political purpose as alleged by the Taiwan authorities.

"Moreover, the mainland has bought quite a lot of second-hand fishing boats from Hong Kong in the past few years.

"It might be difficult for Taiwan authorities to distinguish mainland boats from Hong Kong ones."

However, the Keelung harbourmaster said many of the Hong Kong fishing boats were new ones.

"And we have checked many boats and found out that the owners were Hong Kong people while many of the crew members were mainlanders," he said.

"Hong Kong fishing boats come to the port for shelter from time to time.

"But it was a different situation this time. All these boats seemed to be acting in concert. They blocked the main route and that endangered the normal operations of the port."

Macao

Authorities Deny Interrogating PLA Defectors

HK2808031589 Hong Kong SOUTH CHINA MORNING POST in English 28 Aug 89 p 1

[From Adam Lee in Macao]

[Text] Macao authorities last night denied having interrogated three members of the People's Liberation Army (PLA) who defected yesterday morning. Radio Macao quoted Security Force Commander Lietuenant Colonel Pronenca de Almeida as saying: "Nobody has requested political asylum. The security forces are treating these people as illegal immigrants."

But police sources said the three were questioned by Special Branch officers.

It is believed the trio include a married couple. The husband, surnamed Yeung, is thought to be a major with the border defence unit.

According to sources, a sampan loaded with eight people—seven men and a woman—sailed into Macao waters and landed at a beach on Taipa Island at about 4 am yesterday morning.

Three of them were reportedly wearing olive-coloured uniforms.

The trio split from the group and walked towards the vicinity of the Hyatt Regency where they stopped passers-by and asked how they could contact the police.

All eight were then taken to the Taipa Island police station for initial questioning.

Since three were wearing uniforms, two senior officers from the Macao Security Force Command went to the island to investigate.

A police van with a two-car escort then took the trio, who covered their faces with their hands, to Security Police Headquarters in Macao at about 2 pm.

Police refused to say anything about the report, or to comment why the trio were taken to Macao under escort.

An officer in the Macao Security Force Command said: "I do not know anything about this. Today is Sunday and the office is closed."

If the eight are judged to be illegal immigrants they will be repatriated.

Released Student Denies Hong Kong Man Detained HK2508024189 Hong Kong HONGKONG STANDARD (CHINA TODAY SUPPLEMENT) in English 25 Aug 89 p 1

[Text] A Macao student who was recently freed by security authorities in Guangdong last night denied earlier press reports that he had shared a cell with a Hong Kong man in Guangzhou.

According to media reports in Macao, Mr Chun Kuoktong, 21, said there were more than 10 people in the cell, including one from Hong Kong.

However, Mr Chun denied the story when he was contacted by THE HONGKONG STANDARD.

"I don't know what the newspapers are talking about," he said

"There are so many rumours circulating in Macao now. I don't know whether anyone from Hong Kong was detained in Guangzhou," he said.

Mr Chun and two schoolmates, Mr Leung So-wa and Mr Chan Chak-wai, were detained by the Guangdong Public Security Bureau late last month.

They were suspected of trying to help Mr Zheng Xuguang, a mainland prodemocracy student leader, flee China.

Earlier this month the Hong Kong-based, pro-democracy WEN WEI PO newspaper reported that a Hong Kong resident had been arrested for trying to smuggle a foreign passport into China.

Security authorities believed the document was to help democracy activists escape from the mainland.

The Guangdong Security Bureau also confirmed the three Macao students had been detained because they were suspected of helping Mr Zheng.

The pro-Beijing Macao Daily reported yesterday that five people had been arrested in connection with the case—the three Macao students, Mr Zheng and the Hong Kong resident named Tse Chun-wing.

Police in Guangdong also confiscated from the five a sum of money which they believed was to be used in Mr Zheng's escape.

A number of mainland democracy activists reportedly fled China through Macao and Hong Kong after the June 4 Beijing massacre.

Mainland authorities are trying very hard to break this "secret escape route".

Mr Chun and another student were released on Wednesday. The third student, Mr Chan Chak-wai, is still being interrogated.

However, the true identity of the Hong Kong resident is still not known.

Director of the Hong Kong Office of Guangzhou's Jinan University, Mr Li Jucheng, told THE HONGKONG STANDARD yesterday the school authorities were not aware whether any other student had been arrested apart from the three from Macao.

"And I have not received any inquiries from parents of Hong Kong students studying here," he said.

He said the university's new term would begin in early September and that all students from Hong Kong and Macao were welcome to return to continue their studies.

However, Mr Chun Kwok-tong said he had not yet made up his mind about returning.

"Leaders of the university told my father the day I was released that I could go back when the new semester begins on September 4," he said.

END OF FICHE DATE FILMED 29 August 89

